
Department of Social Services
and Health Department

Operations Review Project

# Assessment and Recommendation Detail

**Final Report August 22, 2002**

# Report Contents

- Note from the Project Executive
- Project Objectives
- Project Timeline
- Scope of the Assessments
- Key Result Measure Assessment
- Organization Structure Assessment
- Current State Assessments: DSS
  - Scope of DSS Assessment
  - Business Process Assessment
  - IT/IS Assessment
  - Contract/Contractor Assessment
  - Finance Assessment

# Report Contents

- Current State Assessments: HD
  - Scope of HD Assessment
  - Business Process Assessment
  - IT/IS Assessment
  - Contract/Contractor Assessment
  - Finance Assessment
- Desired State
  - Summary
  - Organization Structure Desired State
  - Business Process Desired State
  - IT/IS Desired State
- Recommendation
  - Summary
  - Organization Recommendation
  - Business Process Recommendation
  - IT/IS Recommendation
  - Contract/Contractor Recommendation
  - Finance Recommendation
- Appendices

# Note from the Project Executive

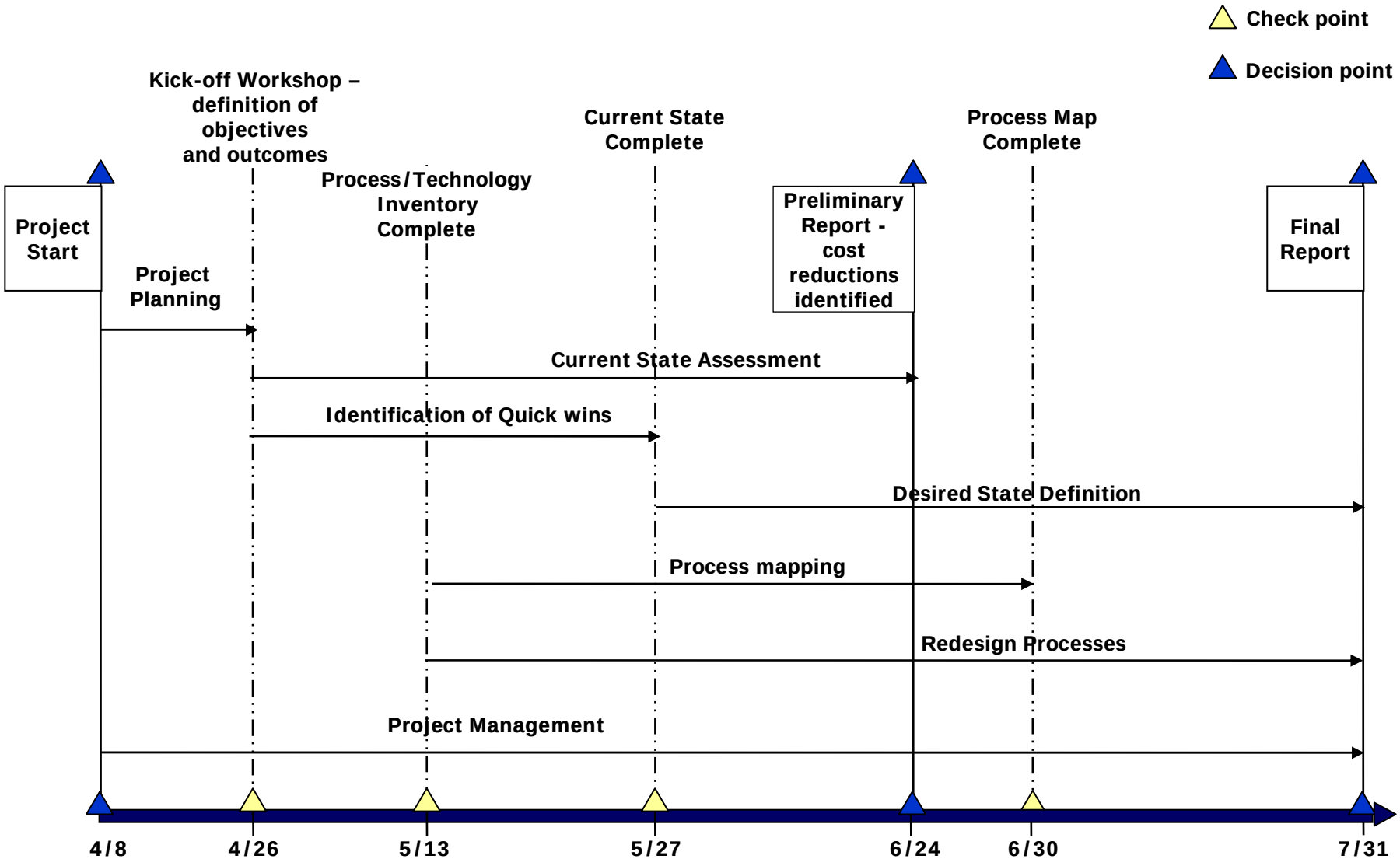
Our experience with organizations of all types over the past ten years confirms the assertion of Dr. W. Edwards Deming, the noted statistician and quality evangelist, that the majority of operational issues an organization faces are caused by process, not people. For the most part, organizations are filled with hardworking, able employees dedicated to doing the right thing. Consultant Michael Hammer, the heir to Deming's process mantle, agrees; he suggests that most employees of struggling organizations are "quality craftsmen" limited by "poor tools."

The employees of DSS and HD are no exception to Deming's and Hammer's views, as our interviews with more than 100 of them revealed. As the two departments have added internally and externally generated programs over the years there has been a concomitant growth in systems devised to manage each program due to guidelines and mandates that accompany them. As a result, employees find themselves serving many masters—a difficult enough task—and are expected to do so without the tools, processes and systems in place to effectively and efficiently complete their work.

# Project Objectives

- Identify operating inefficiencies, either in the form of duplicate duties, program overlaps, organizational structure, or methods of operation and then suggest improvements
- Identify controls or operational improvements, including consolidation between units or the two entire departments, that could improve efficiencies and lower operating costs
- Identify outsourcing opportunities
- Consider the impact of findings and recommendations on the consolidation plans for Finance, HR and IS Departments
- Consider how the DSS and HD recommendations could positively impact the OMH, OFA, and YB Departments

# Project Timeline



# Scope of the Assessments

We assessed the two departments using these lenses:

- Monroe County established "Key Result Measures and Areas"
  - Customer/Client Satisfaction
  - Employee Satisfaction/Productivity
  - Economic Growth
  - Quality of Services
  - Quality of Life
  - Fiscal Responsibility
- Critical functional factors:
  - Organization Structure – to identify overlaps and synergies
  - Key/Major Business Processes – to identify inefficiencies and redundancies
  - Information Technology and Services – to determine how (and how well) technology is employed in support of the Key/Major Business Processes
  - Contract/Contractor Management – to determine whether vendor relationships are optimized
  - Financial and Other Data – to determine how the taxpayers' dollars are spent

# Key Result Measure Assessment

## Department of Social Services

- General Findings:
  - Measures selected do not necessarily provide a broad enough or deep enough indication of DSS performance
  - Performance is not widely reported, nor are time series comparisons readily available
  - Neither customer nor employee satisfaction are tracked
- Specific Findings:
  - Productive Workforce: The Department's goal to ensure that 90% of the workforce has PCs is far from being met - about 50% of front-line staff have PCs
  - Quality Services: The Department's goal to ensure that 95% of preventive services clients avoid foster care has been achieved each of the past several years
  - Economic Growth: The Department's goal to place >3,900 TA recipients into jobs has been nearly achieved or achieved in each of the past few years
  - Quality of Life: The Department's goal to award 450 Section 8 vouchers is regularly achieved
  - Fiscal Responsibility: The Department's goal to maintain managed care enrollment at the 95% level has been achieved in each of the past few years

# Key Result Measure Assessment

## Health Department

- General Findings:
  - Measures selected do not necessarily provide a broad enough or deep enough indication of HD performance
  - Performance is not widely reported, nor are time series comparisons readily available
  - Neither customer nor employee satisfaction are tracked
- Specific Findings:
  - Customer Satisfaction: Not tracked
  - Employee Satisfaction: Not tracked, with the exception of Environmental Health Lab
  - Quality of Life: The Department's goal to improve baseline measures in community health status (concentrating on Maternal and Child Health) was achieved in 2001 Over the past few years however, performance has been flat or slightly declined year over year between 1997 & 2000

# Organization Structure Assessment

# Organization Structure Assessment

## Summary

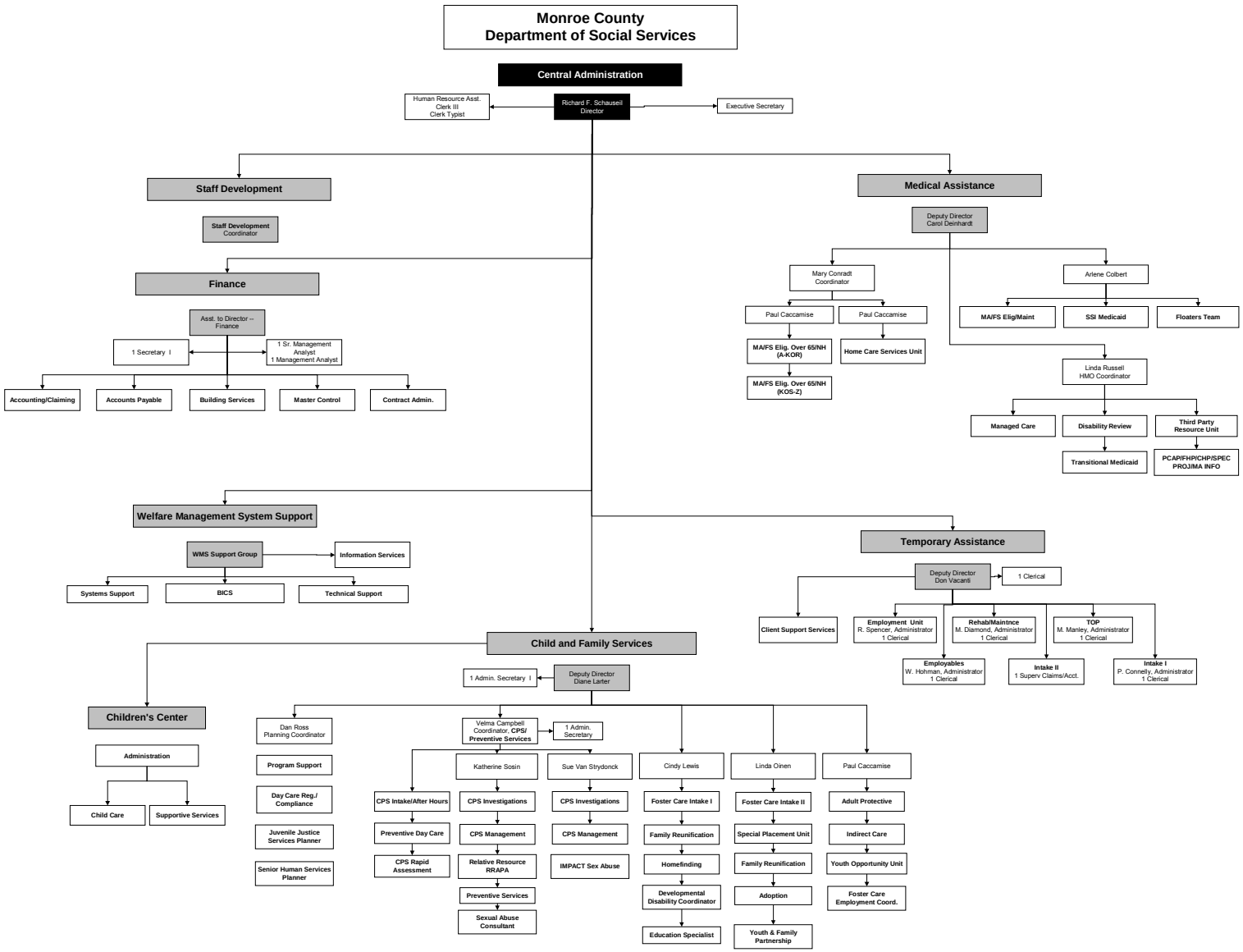
Funding streams coming into the County are generally structured along program and/or mandate lines. This fact has, historically, resulted in what can be called a “mandate environment” in which many decisions (organizational, business process related, technical and so on) are made in the context of, and in support of, existing sources of funding.

This “mandate environment” has resulted in a program-oriented organizational structure wherein many similar or duplicate roles and responsibilities exist across various departments and divisions.

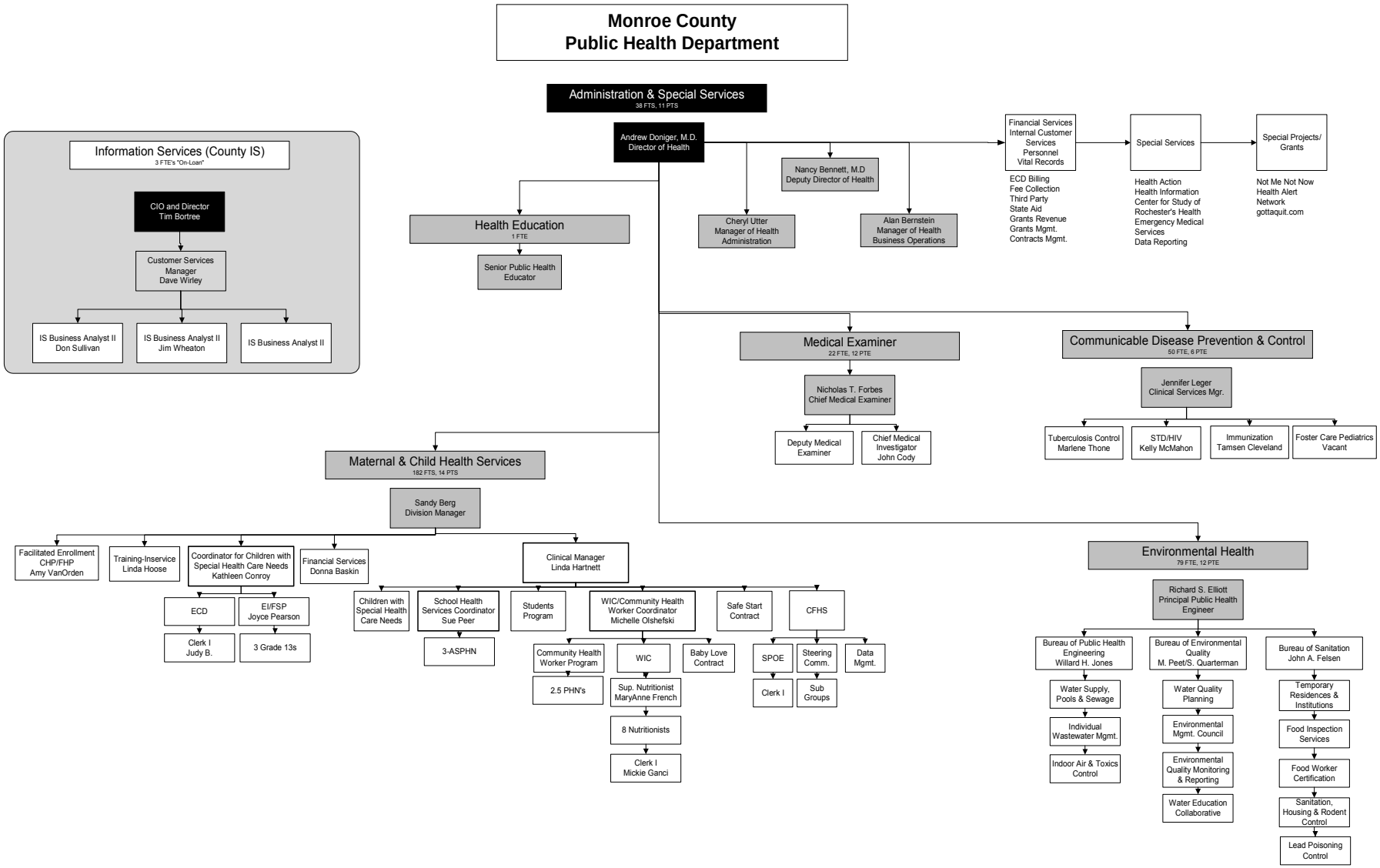
The results of this program-oriented structure are analyzed in detail in the Current State Assessment sections of this document.

The following organizational charts depict the current organizational structure for reference and comparison against the desired state and recommendations.

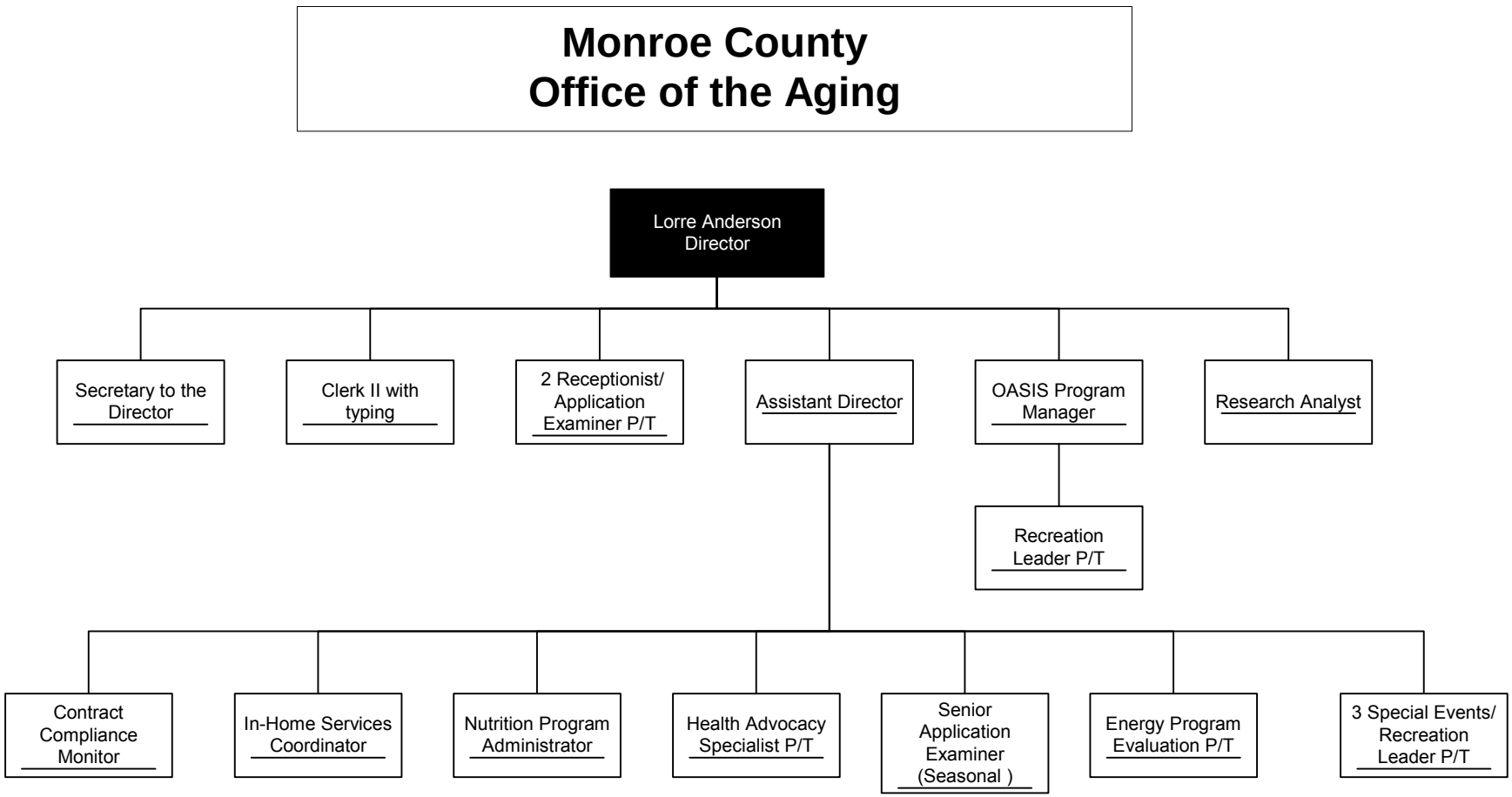
# Current Organization Structure



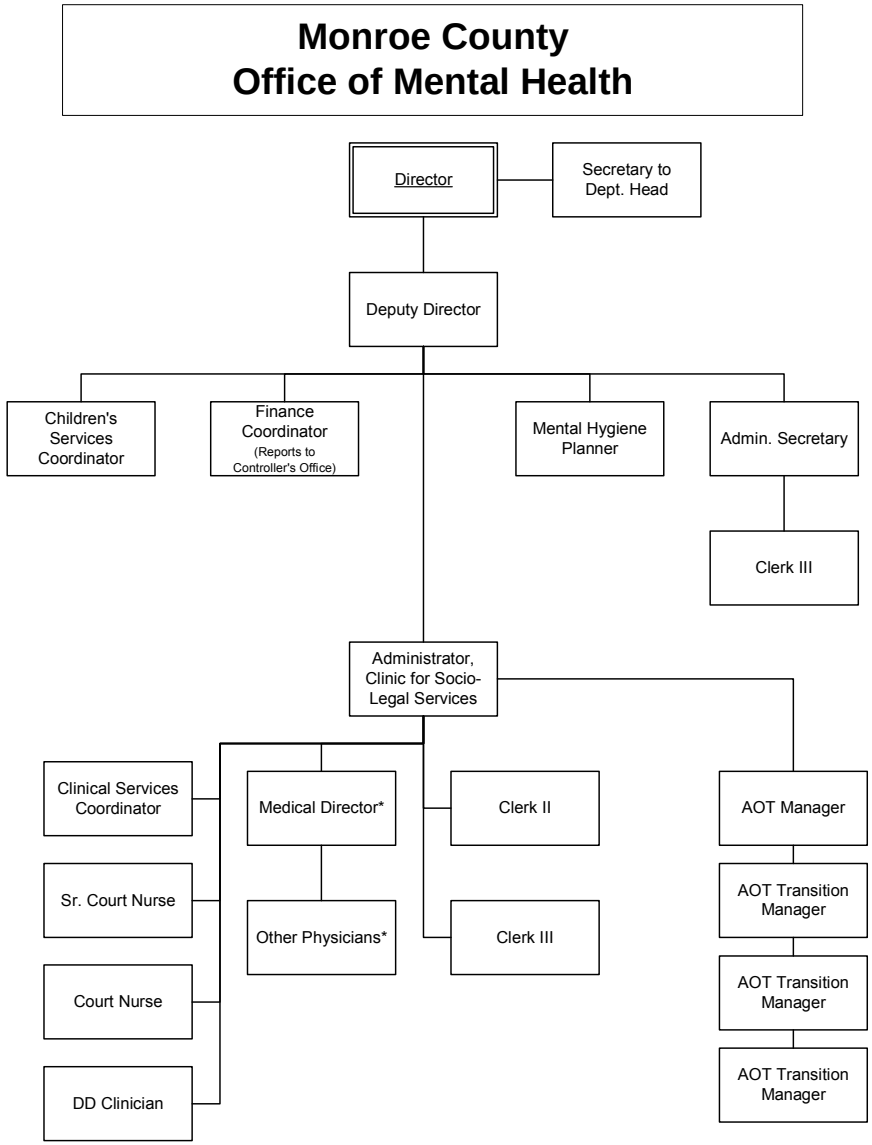
# Current Organization Structure



# Current Organization Structure

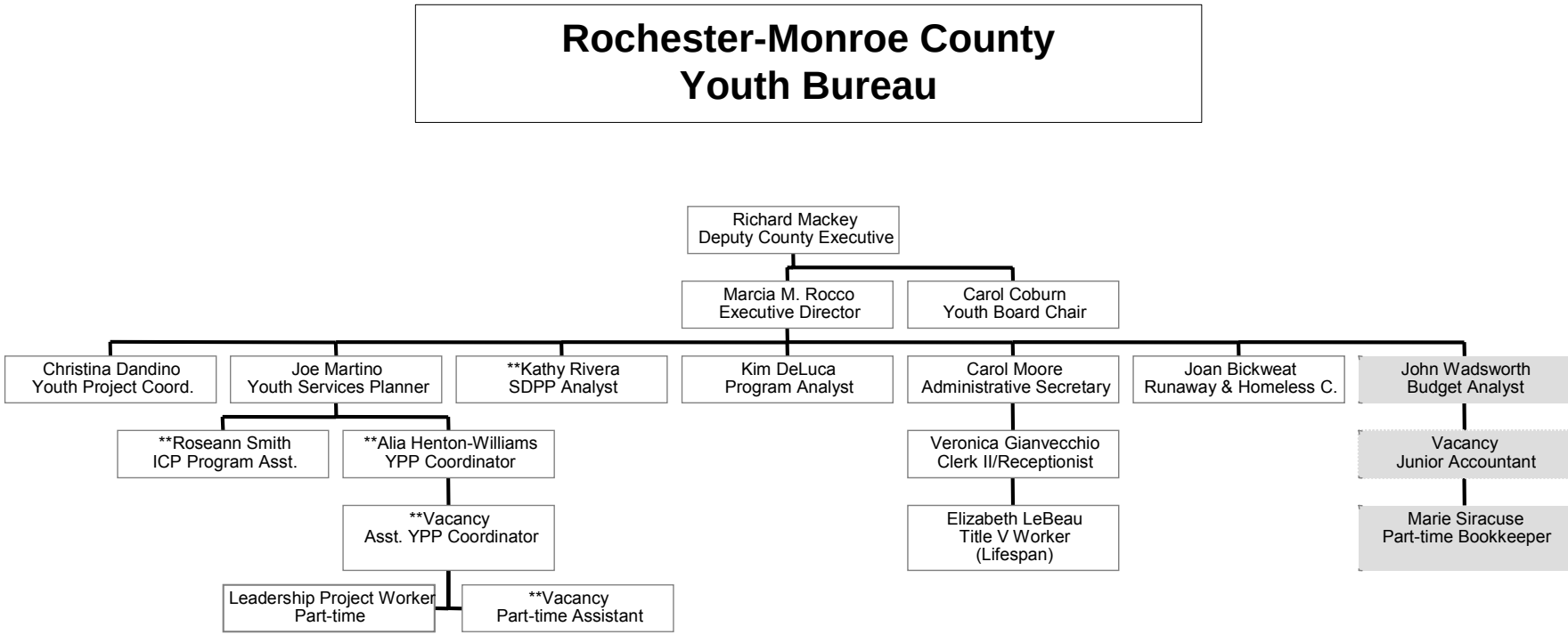


# Current Organization Structure




* Under personal contracts with the County

# Current Organization Structure




**** United Way Services Corporation**

MC Department of Finance

# Current State Assessments: DSS

# Scope of DSS Assessment

- The focus of our efforts included these divisions of DSS:
  - Staff Development
  - Finance
  - Temporary Assistance
  - Medical Assistance
  - Child and Family Services
  - Welfare Management System (WMS) Support
- These divisions account for 100% of the DSS annual budget
- Our assessment methodology included:
  - Data gathering via internal and external sources
  - Extensive contractor/vendor and internal interviews
  - Senior staff operational surveys

# Business Process Assessment

## Summary

Our initial assessment of business process at the Department of Social Services (DSS) indicates that significant opportunities for improvement exist in the execution of key processes. DSS is structured by program (TANF, Medicaid…) and division (Intake, Rehab, Employables…) however, many key processes flow across the programs (and even across DSS and the Health Department), often using the same systems and process steps (WMS, Recertifications).

Funding streams are generally structured along program lines, which has resulted in a program-oriented organizational structure. When first implemented, this structure worked as processing methods and volumes were manageable. However, over the years, the environment has changed, dramatic shifts in technology have occurred, and processes have become more complex. At DSS, as is typical in most organizations, changes have been driven by and implemented by each individual program administrator and the employees within their span of control.

Since administrators typically had little knowledge of work in other areas, changes tended to be confined to their own area. As a result processes have become, over time, more and more disjointed and artificial walls have been created between groups. These “walls” have been heightened by the fact that most work is manual and paper-based, and many groups physically occupy several different locations around the city.

# Business Process Assessment

## Summary (cont'd)

Over the past two to three years, DSS has implemented several significant changes, most notably the shift in workgroup structure into teams focused on services; e.g. Rehab for clients with chemical dependencies, Employables for clients looking for work and so on. While these changes offered some benefits, they ignored the Core processes involved. Many tasks, such as recertifications and day care processing, are still duplicated across teams and divisions.

Little has been done to minimize the amount of manual paper handling required. About 40% of staff time is focused on clerical tasks. In TANF, staff members estimate that each Team has 1 FTE focused solely on locating case files. In Child Protective Service and Foster Care, staff members spend much of their time out of the office, causing paperwork to back up until they are able to return to their offices to manually input data into the system.

The net effect is three-fold:

1) Inefficient allocation of staff resources throughout the department
2) Increased cycle times and error rates
3) Significantly higher cost of operations

In many areas, staff is so overloaded with paperwork that they have little time to focus on value-added activities. Interviewees indicated that TANF cases are often mistakenly open because information was missed in the initial eligibility screen. We found that nearly 50% of interviews are conducted without a complete case history. The root cause is the inability of staff to locate case files in a timely manner. Many supervisors stated that it takes at least 2-3 days to locate a file. To comply with the regulated maximum of 5 days from appointment to interview, staff is forced to meet clients without critical information.

# Business Process Assessment

## Summary (cont'd)

Costs associated with this kind of error are difficult to measure as little data is tracked on the number of errors made or on the impact of errors. An example helps show the significance: If a mistake is made in verifying client information during a screen for emergency housing eligibility such that a client is given housing that should have been denied, the client must receive 10 days notice before leaving emergency housing. If an error is caught 2 days after the client entered housing and the housing costs $90 per day, the cost to the county is $1,080. If that happens 10 times in a month, the total cost is over $100,000 over the course of a year.

Similar opportunities lie in many areas across DSS, especially in the area of day care payments. Staff, however, has little time and few tools available to capture these opportunities.

The following pages provide a depiction of the process issues facing the department and the impact of those issues. We attempted to focus on key issues, therefore the following pages are not all-inclusive. Additionally, it is very difficult to talk about process without talking about systems as they go hand-in-hand. While we discuss some high level Information Technology issues in this section, detailed information can be found in the IT/IS Assessment section of this assessment.

# Business Process Assessment

## Process Schematic Introduction

Every organization, be it a corporation, government entity, or non-profit operation is comprised of a set of processes. Some of these processes are critical to the running of the business, and these critical processes are the essence, or "Core" of the business. These Core processes typically include things like "Marketing and Selling", "Manufacturing" and "Distribution". Xerox and Eastman Kodak, for instance, would consider these three processes part of their core business.

In addition to the Core processes, there are a group of other processes that, while not critical, provide support to the business. These "Support" processes can be either Operational in nature, such as Procurement or Human Resources, or Administrative, such as Finance and Accounting and Information Technology Support. If we think about Xerox and Kodak, they are not in the business of buying items or matching people with jobs, but without these two functions the operations would stall. Likewise, neither company is in the business of providing IT support to employees, but they do need to have employees' computers serviced.

In order to make some sense of all these processes and organize how these processes fit together within Monroe County's DSS and HD, Altreya has utilized a Process Schematic that pictorially reflects Core and Support processes.

The schematic's basic message is that significantly more time, effort and energy should be expended on Core processes. Within MC, that would mean a focus on Intake, Care Management and Transition.

Likewise, less effort should be expended on Support processes as these often eat up valuable time and costs that could be and should be spent on Core processes.

# Business Process Assessment

## Process Schematic Introduction (Cont.)

During our operational assessment, we found that great deal of time and effort is spent locating case files, managing and processing paperwork and correcting errors. Further, much time is spent processing financial transactions and reporting.

We use the Process Schematic to identify and classify the main processes and to help us focus our improvement efforts in the right areas.

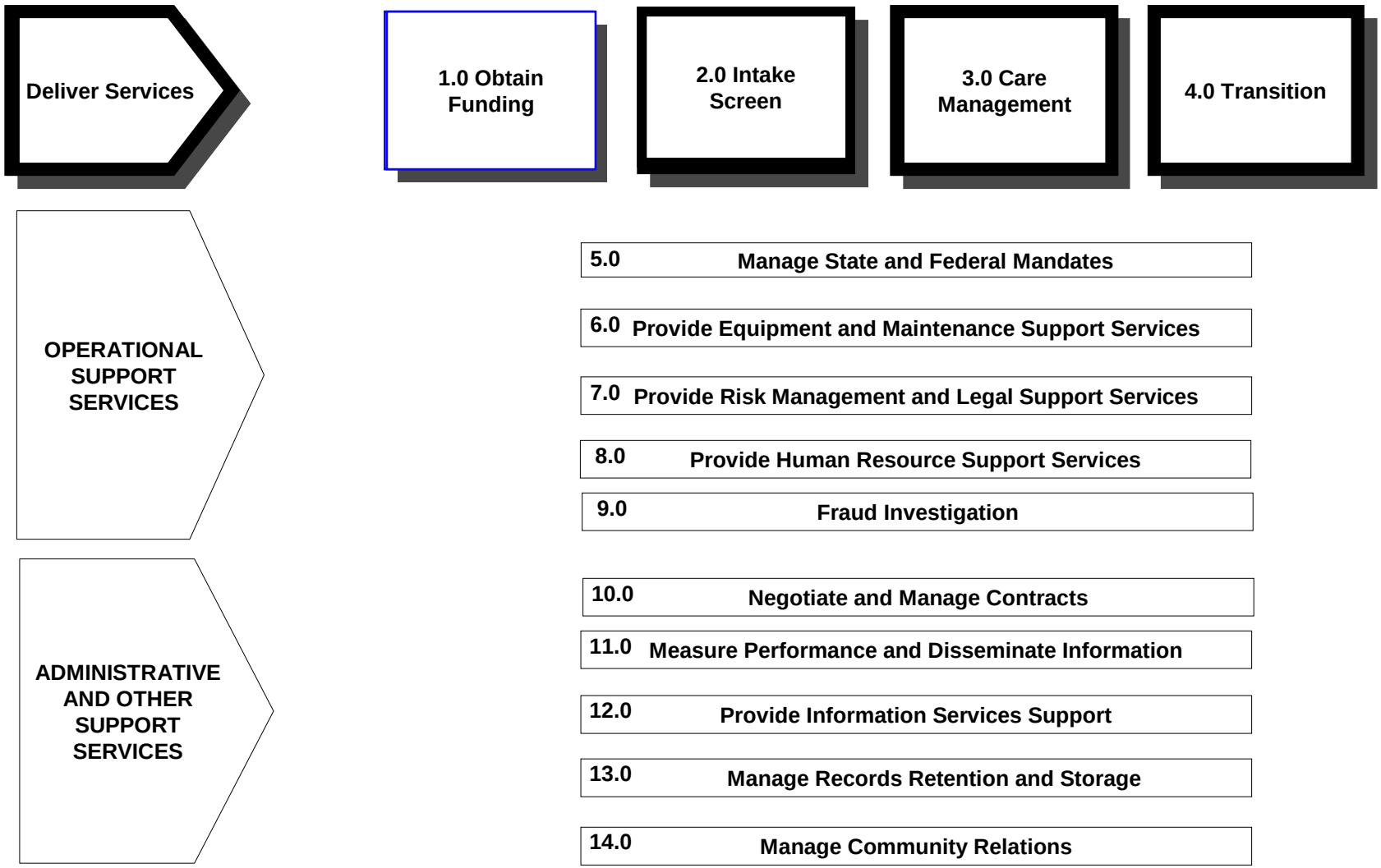
The second page of the schematic depicts the main “Sub-Processes” or key activities associated with each of the Core processes. The highlighted activities indicate that our operational assessment identified those tasks as priority areas to be targeted by an improvement effort.

The subsequent three pages of High Level Process Flow are a current state pictorial view, or Process Map, of each of the Core processes. These show how each of process is structured and, as improvement efforts begin, provide a framework for the addition of detail to each Sub-Process. The objective is to lay the foundation of the County’s process structure by providing a starting reference point for change.

The focus, as designing changes are initiated, should be to *document* in sufficient detail how processes work today, to *identify* the key changes needed in current processes and how they impact or change how work is completed, and then *show* how new processes will work after the changes are made.

# Business Process Assessment

## Process Schematic



# Business Process Assessment

## Process Schematic – Key Activities

**1.0 Obtain Funding**

1.1 State Budget
1.2 Grant Management
1.3 Local Budgeting

**2.0 Intake Screens**

2.1 Initial contact
2.2 Apply/Initial Investigation
2.3 Initial Eligibility screen
  2.3.1 Eligibility screen
  2.3.2 Investigation (If CPS)
2.4 Schedule Appointments
2.5 Detailed Eligibility Screen
  2.5.1 Application review
  2.5.2 Verifications
  2.5.3 Final review
2.6 Program/ Registration/Referral
2.7 Case Transfer

**3.0 Manage Cases**

3.1 Manage Paperwork/QA
3.2 Monitor case activity
3.3 Execute Re-certifications
3.4 Execute Period Reporting
3.5 Process Close/Re-open cases
3.6 Manage payments
3.7 Process grant additions
3.8 Process Day Care
3.9 Case Transfer

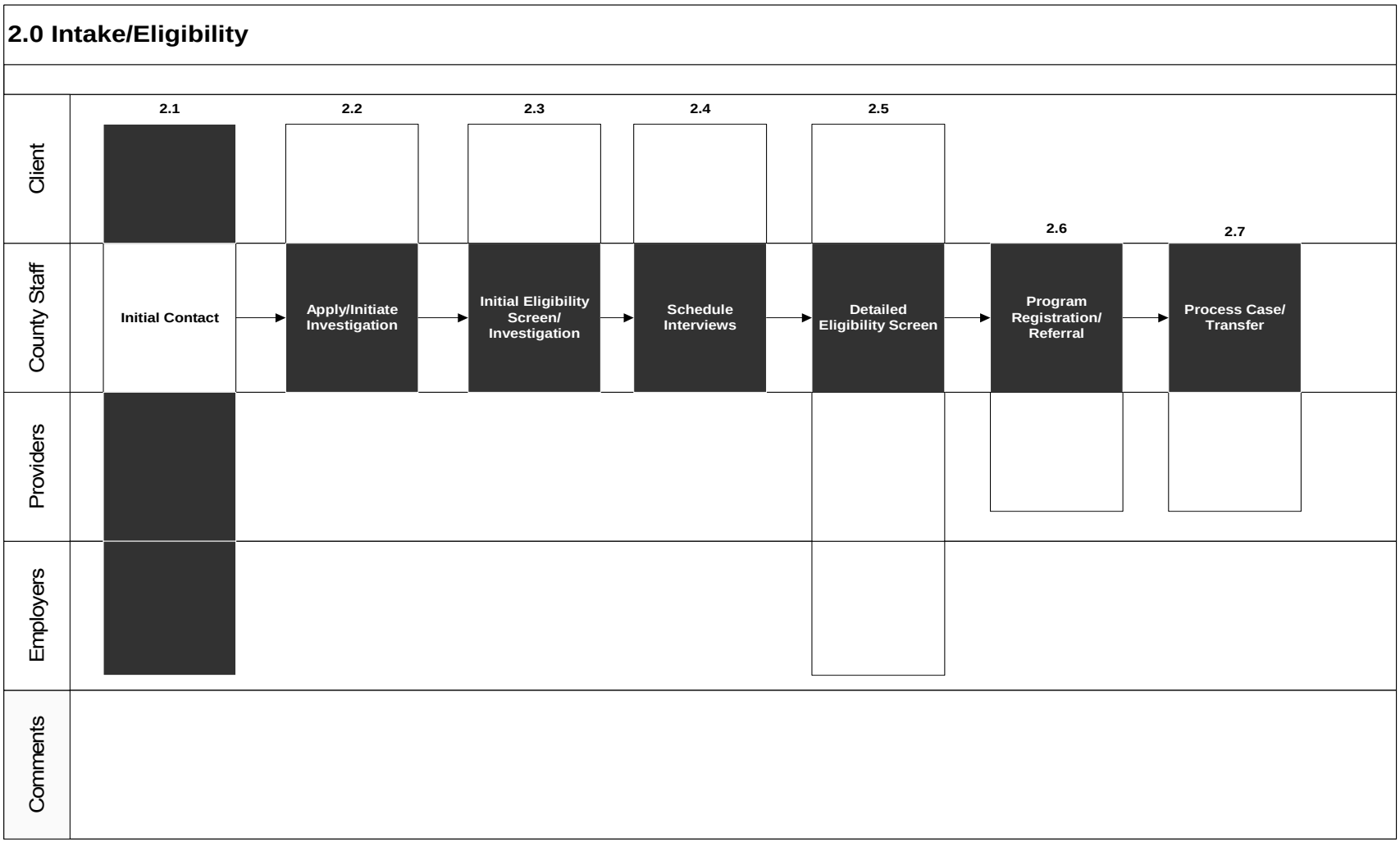
**4.0 Transition**

4.1 Process excess income transition
4.2 Process voluntary transition
4.3 Final eligibility check
4.4 Closeout file
4.5 Aftercare
4.6 Archive Files

***Process Opportunity Area***

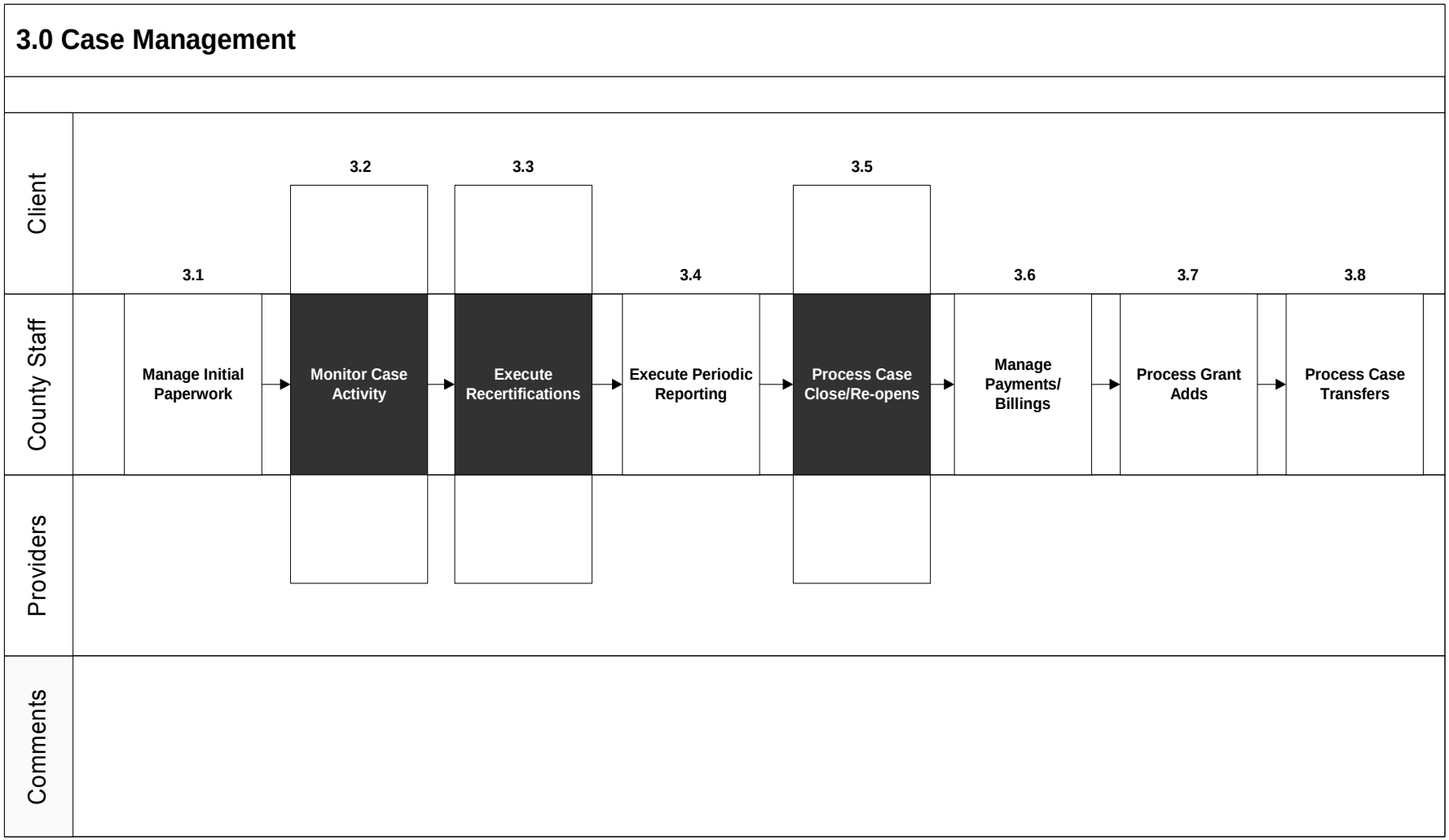
# Business Process Assessment

## High Level Process Flow: Intake



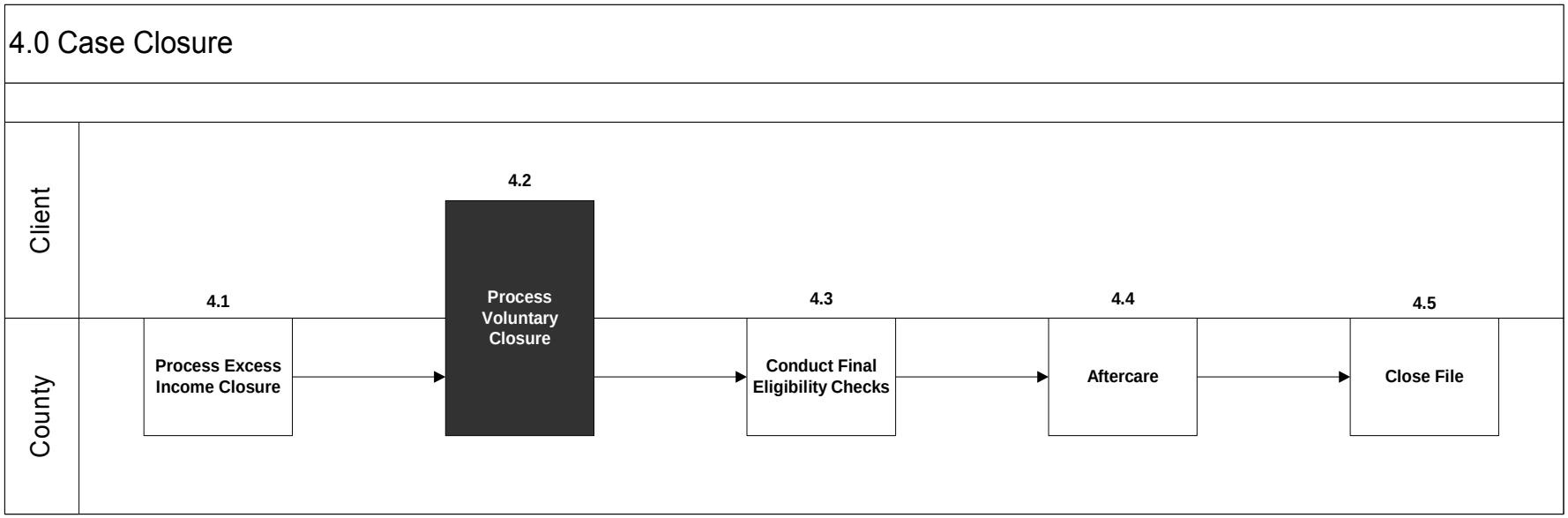
# Business Process Assessment

## High Level Process Flow: Care Management



# Business Process Assessment

## High Level Process Flow: Case Transition



## Causal Loop Diagram Introduction

The Causal Loop Diagram was derived from issues uncovered during the assessment phase of our work. During this phase, we held over 100 interviews where we discussed the many issues facing the County.

As in most organizations, many issues which result in the current state are interconnected. Attacking any one issue may resolve that issue, but it will not resolve the others. Worse, the solution to one problem may create new problems, often in another part of the organization. It is therefore critically important to analyze all issues together to look for the root cause.

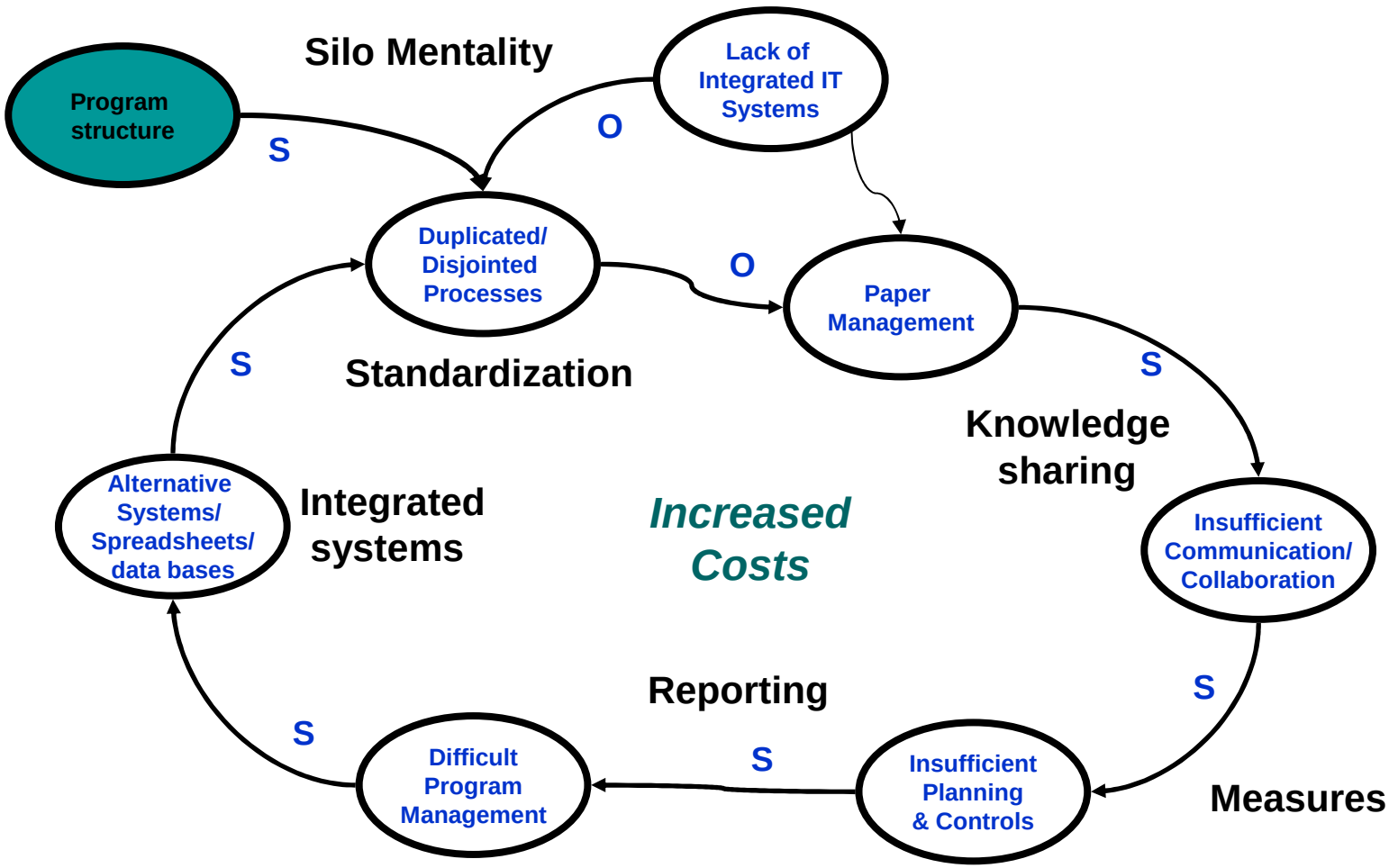
To do this effectively, we utilize a tool called a Causal Loop Diagram. This tool focuses on major issues to see how they are interconnected, and possibly identify a leading causal factor. This is significant because if we can uncover the root cause and then resolve it, we can achieve far greater savings and higher quality outputs than we would be able to achieve if we attempted to resolve the problems individually.

As shown in the Causal Loop Diagram, we have identified Program Structure as the root cause of all issues with current state discussed in this assessment. Funding driven Program Structure, and a Lack of Integrated IT Systems result in Duplicated/Disjointed Processes which drive sub-optimal Paper Management. Paper Management issues result in Insufficient Communication/Collaboration among groups, which supports Insufficient Planning and Controls, which leads to Difficult Program Management. Program managers create a set of Alternative Systems/Spreadsheets/data bases in an attempt to regain control, which, instead, ends up supporting Duplicated/Disjointed Processes and closing the causal loop. In other words, the causal loop is reinforcing.

This assessment will examine each element of the Causal Loop Diagram in detail.

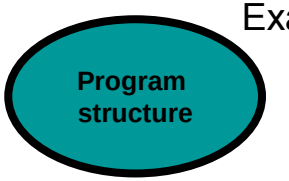
# Business Process Assessment

## Causal Loop Diagram



# Business Process Assessment

## Structure is driven by program, rather than process




- DSS is structured by program/function, however, processes tend to cross programs/functions. Examples:
  - Intake: CPS, Foster Care, TANF – regular, TANF Emergency, Medicaid (and SPOE from HD)
  - Care Management: CPS, Foster Care, TANF Rehab, TANF Employables, TANF TOP, TANF Aftercare (and Early Intervention and WIC from HD)
  - Day care Processing: IEDC, CPS, Employables, Rehab, Employment (sometimes), Aftercare
- Process changes tend to occur within each program/function. Therefore, changes:
  - Tend to be ad hoc, without analysis of impact or opportunity in other areas
    - SPOE/Central registry concept from HD has potential applicability at DSS
    - CD Tracking System has application to Employment program monitoring
  - Tend to be “Band Aids” that do not get at the “root cause”
    - New systems often create more work/effort for already overloaded staff
    - Designed for manageability, not work flow
  - Create a lack of standardization at both the high-level and the desk-level, increasing variation and potential for errors
    - Workers process things differently because “they are more comfortable doing it their own way”
    - Ex. TANF intake: how employees track cases with pending documentation varies greatly
- Focal point of work flow structures is Division and team-based
  - Little knowledge sharing or understanding between areas of what happens at the next step
  - Frequent disputes between supervisors, particularly in case transfer areas where some judgment is required – i.e. Employables vs. Intake
- Results in:
  - **Disjointed and duplicated processes across divisions and teams within divisions**
  - Fragmented IT systems that often make the work more complex and difficult
  - Lack of cooperation/collaboration between divisions
  - Higher operating costs

# Business Process Assessment

## Duplication: Sample listing of groups and tasks

Below is a sampling of groups within both DSS and HD and several common tasks that are performed. This duplication significantly increases the opportunity for error and increases the cycle time of the processes. A few points are worthy of note.

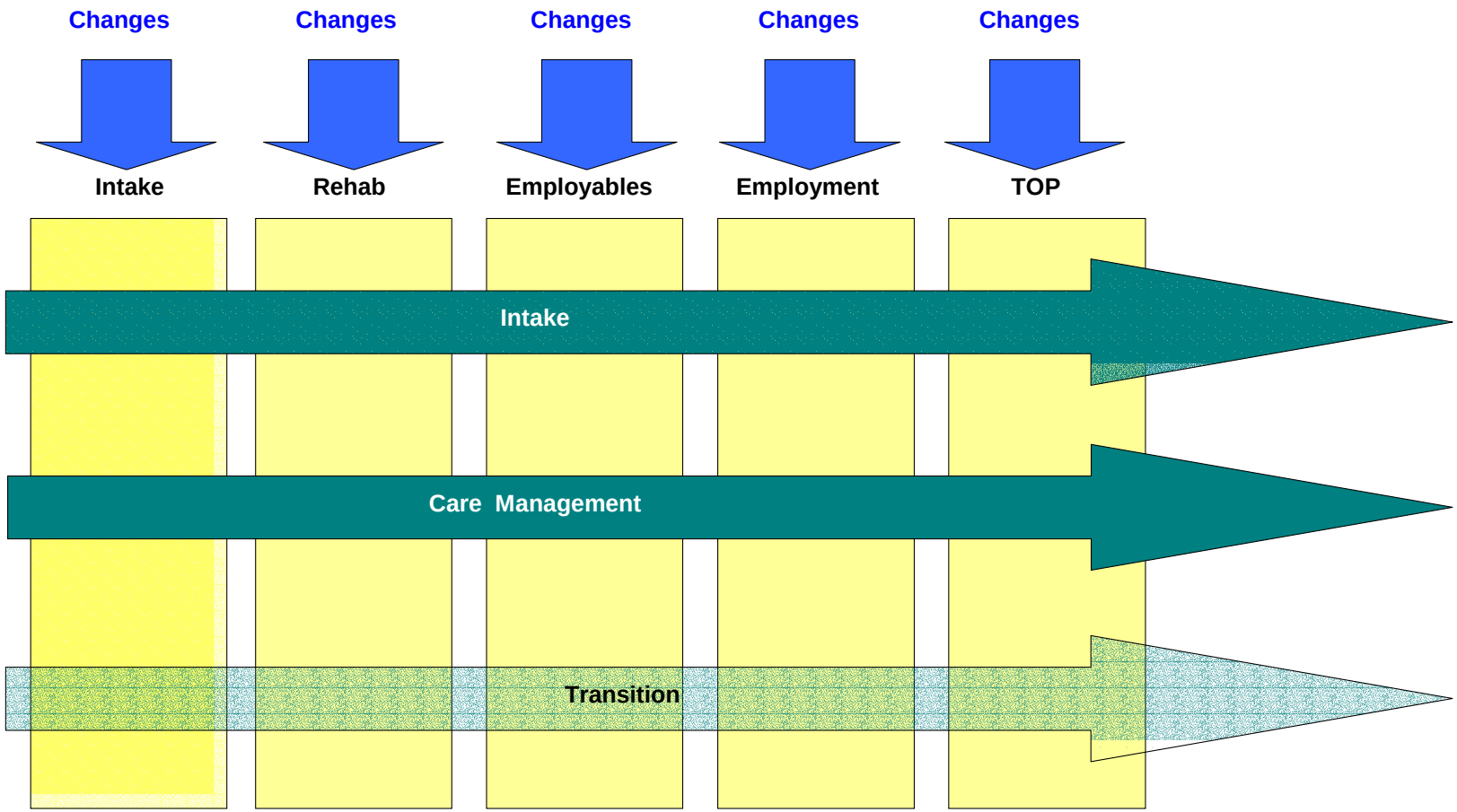
1. Every group does its own data entry. Research shows that this is least effective (most error-prone) and the highest cost method for completing data entry.
2. Day care processing, a labor-intensive and often subjective process, is completed in 9 different areas within DSS. Staff spends significant time chasing issues related to day care.
3. Transferring of files is a common process for 10 groups. Through our interviews, this manual process was found to be the subject of debates regarding which group should own the case, missing information or forms, as well as the misplacement of the actual file.

| Group | Eligibility | Recert | Adds/ Changes | Data Entry | Daycare Processing | Monitor | Transfers |
|---|---|---|---|---|---|---|---|
| TANF Intake | X | | X | X | X | | X |
| Emergency | X | | | X | X | | X |
| Medicaid | X | X | X | X | | X | |
| TANF Rehab | | X | X | X | X | X | X |
| Employables | | X | X | X | X | X | X |
| Employment | | | X | X | X | X | |
| TOP | | X | X | X | X | X | X |
| Aftercare | | X | X | X | X | X | |
| CPS Invest | X | | | X | | | X |
| CPS Mgmt | | | X | X | X | X | X |
| Foster Care | X | | | X | X | X | X |
| Adult Protect | X | | X | X | | X | X |
| EI | X | | X | X | | X | X |
| ECD | | | X | X | | | |

# Business Process Assessment

## Structure: TANF Program Driven Approach

The core processes of Eligibility Screening, Client/Care Management and Closings are executed differently by each program because changes (such as new eligibility requirements) are made at the program level and not at the process level.



# Business Process Assessment

## Current IT systems lack integration and sophistication to support operations

**Lack of Integrated IT Systems**

- Systems are fragmented, with multiple systems serving the same process (*For further detail on IT Systems, please refer to the IT/IS Assessment section*)
  - WMS, TAAS, BICS, CD Tracking…
  - Creates multiple data-entry points and re-keying of data, increasing opportunity for error
  - Often difficult to extract information and reports from the systems, creating a large number of hardcopy backup documentation
  - Differing platforms (mainframe vs. PC) add to complexity
- Systems not user-friendly
  - Often very slow with cumbersome inputs (Transportation, CD Tracking…)
  - Key information difficult to find, or not contained in the system (90% of TANF application info not stored electronically)
- Systems often designed for management, rather than workflow
  - New systems frequently create additional work for frontline staff
  - Systems not designed for future work and workload and quickly become obsolete
- State sponsored/mandated systems exacerbate the problem
  - State develops systems by program
  - Systems often delivered late with less functionality and connectivity
- Results in:
  - ***Disjointed processes within and across divisions***
  - Higher cost of operations
    - Multiple input of duplicate data (Name, address, case number…)
    - Increased error rate
    - More staff required to complete the work
  - Suspect accuracy of system data, increasing the number and frequency of quality checks and verifications
  - Excessive paperwork – forms, file management, etc.

# Business Process Assessment

## Processes are disjointed and duplicated across programs and departments

Duplicated/ Disjointed Processes

- Current key processes have many handoffs and quality checks
  - Clients often deal with 3 to 4 different workers during their time on public assistance, often at different locations
  - At each transfer point, every group reviews the case file and conducts a QA (See attached process flow)
    - Are all necessary info/forms present?
    - Should case have been transferred to a different group?
  - With so many handoffs, Quality Assurance is added on to the process and mostly conducted to check the work of the previous case owner
- Major process activities are duplicated across divisions, often using similar processes and criteria
  - Intake = CPS, Foster Care, TANF, Medicaid, Emergency
  - Case/client management = CPS, Foster Care, TANF (rehab, Employables, TOP…)
  - Foster care spread over 6 groups
- Basic case activities each group performs are also duplicated, particularly in TANF
  - Recertifications
  - Periodic reporting
  - Daycare processing – Greatest opportunity area
  - Changes/Adds
  - Crisis management (RG&E shut-off, day care, evictions…)
- Processes are further disjointed by lack of co-location of staff
  - Transfer of files and documentation between Westfall and St. Paul, and other locations
  - Cumbersome and inefficient mail/courier process
  - groups not located strategically

# Business Process Assessment

## Processes are disjointed and duplicated across programs and departments

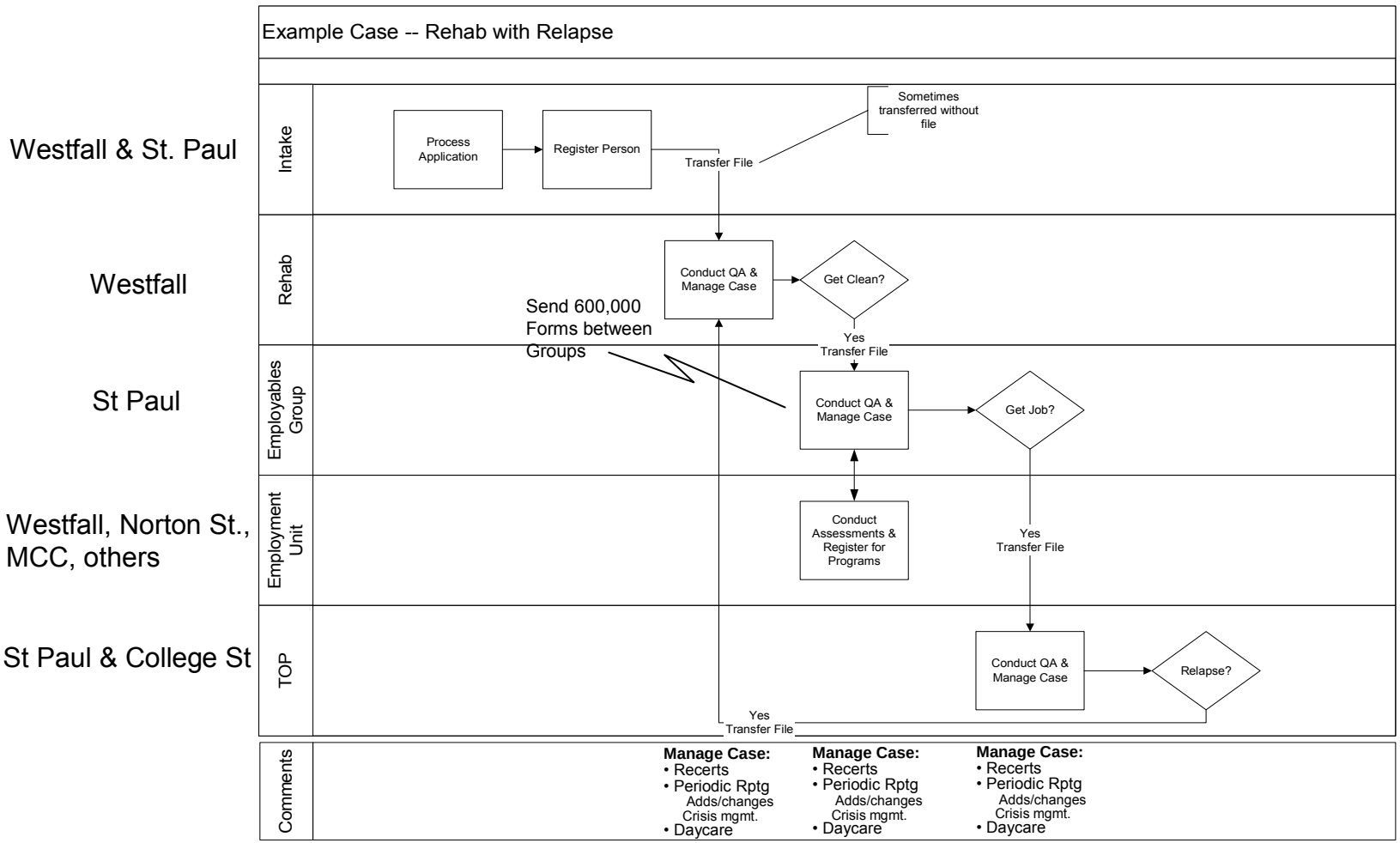
Duplicated/ Disjointed Processes

- Few tools exist to assist workers in completing work efficiently and consistently
  - Underutilization of automation technology
    - Systems are not integrated; lots of re-keying of data into multiple places
    - Forms are hardcopy only, requiring same data input dozens of times
    - Significant amount of data is only hardcopy – only 10% of TA application data is in the system
    - Little ability to use error reports, system flags, etc., to proactively resolve issues
    - No efficient way to track who has what case file
  - Underutilization of checklists
  - Process documentation frequently out-of-date, and in non user-friendly formats
  - Underutilization of basic analytical tools such as MS Excel
- Results in higher costs of operations
  - Excess staff
    - 20-45% of staff time spent on clerical work
    - Far too narrow span of control at the front line
  - Time spent managing paper, Quality Assurance and correcting errors, leaves little staff time to focus on bigger issues (overpays, etc.)
    - Estimate that at least $500K in overpays exist in Employables
  - Slower collection/reimbursement times
  - **Excess paper management costs**

# Business Process Assessment

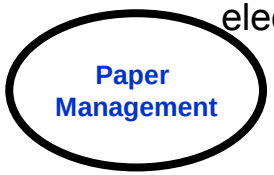
## Disjointed Process – an example

In this example, the same client is served by 5 different examiners, often at different locations. The more handoffs in a process, the greater the chance for errors or lost files. The goal of an efficient and effective process is to have as few handoffs and quality checks as possible.



# Business Process Assessment

## Paper-based, manual processes with multiple data entry points




- Processes are driven by the hardcopy case file, with less than 50% of needed information available electronically
  - 1 FTE per *team* focused on locating case files
  - 30-50% of TANF intake interviews conducted *without* the client's complete case history
  - When multiple staff members require a case file, they have to wait until other staff members are done
  - Difficult to accurately track who has the case file
- Large number of forms required to complete work tasks
  - Each division utilizes at least 50 different forms, with some areas using over 100 forms (ex. Employables uses ~120 different forms)
  - Forms are mostly available hardcopy – when a form is changed, it takes weeks to obtain new version, and inventory of old version is thrown out
  - Hardcopy forms faxed and mailed back and forth between groups at different sites –
    - Ex. In Employables, create ~300,000 234 forms that are photocopied and mailed back and forth with the Employment Unit
    - Rehab generates hundreds of 3209 forms that are sent to the "Green room" on the 3rd floor of Westfall – no one knows what they do with form
  - Frontline staff spends estimated 35-45% of time on clerical work
- Paper-based process is prone to errors, increased cycle times and therefore higher operating costs
  - Almost every staff person completes data entry for his/her own work, an inefficient and error prone method of data entry
  - Often have difficulty locating files – can take up to 2-4 days per file
  - In Accounts Payable
    - About 40 man days/mo are used to alphabetize and match vouchers and attendance sheets for day care payments
    - 50-100 attendance sheets are lost each month with little effort made to find out what happened
  - For Daycare, staff required to *manually* calculate appropriate rates. With little system assistance, different staff members often come up with a different amount for same client
  - It was indicated that at least 1 clerk per team in DSS is devoted solely to finding case files. Conservatively, that comes to ***75*** clerks costing **~$2.6 million** in staff salary and benefits

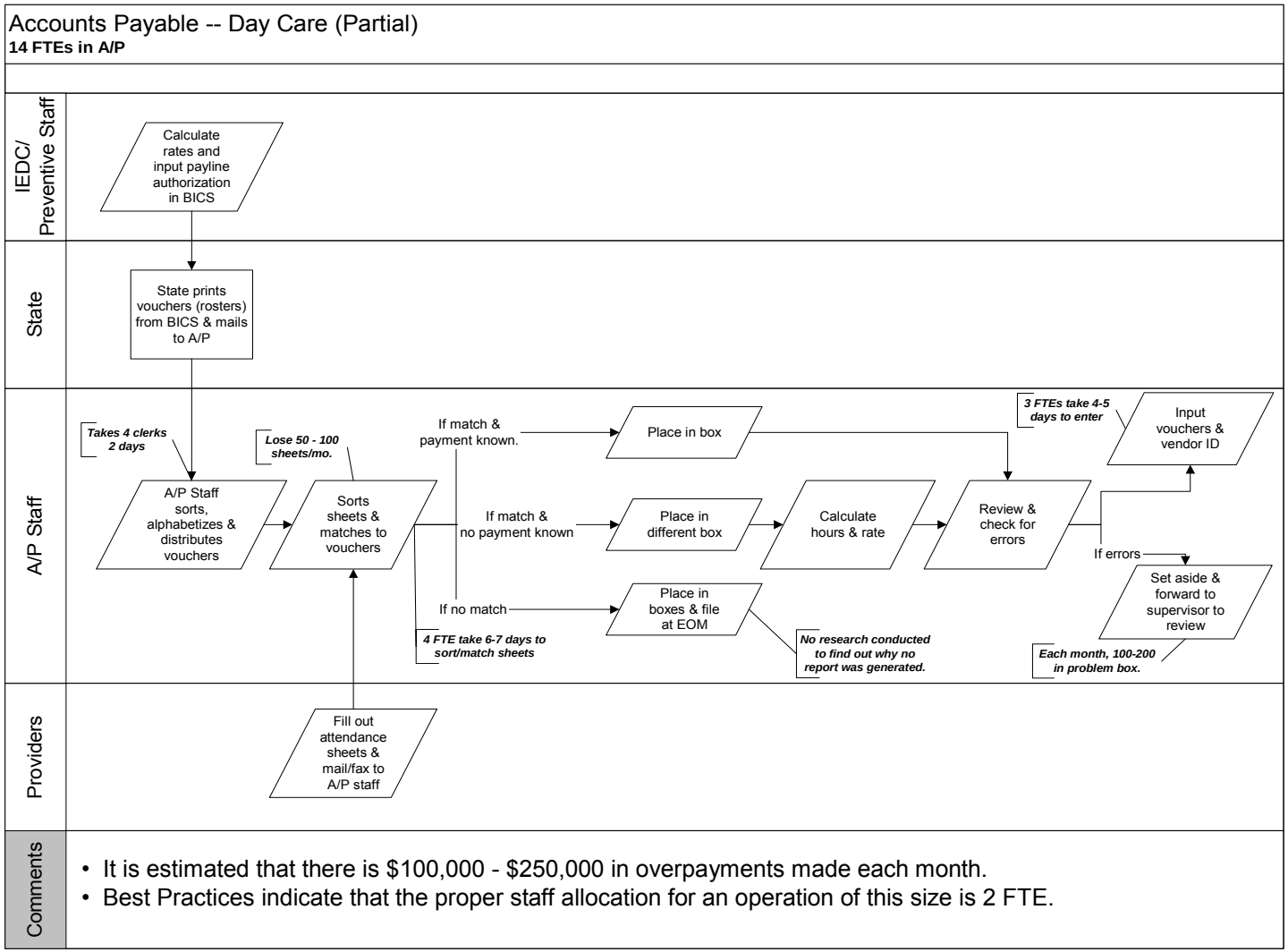
# Business Process Assessment

**Paper-based, manual processes with multiple data entry points**


- Time spent locating case files and other clerical activities distracts staff from focusing on key activities
  - Large amounts of money goes uncollected in overpays, particularly related to day care – potential of $1-2 million/year in uncollected overpays. Ability to close more cases and lack of more detailed eligibility checks allow significant amounts of money to be wasted
    - Staff has little time to conduct proper assessments in many cases
    - Inability to locate vital information causes 5-10% rate of case openings that should have been rejected
  - Process to research and collect overpays is labor-intensive and time consuming – requires a manual check of each document in every case file
- Results in:
  - Increased cost due to: wasted staff time and effort; failure to identify and collect overpayments and inappropriate case openings
  - Increased workload as staff struggles to process work in a timely manner
  - Increased risk of violating key regulations and legal commitments (Winston vs. Schauseil)
  - **Insufficient communication/collaboration with other areas**

# Business Process Assessment

## Manual Processing – Daycare Payment Processing



# Business Process Assessment

## Insufficient communication and collaboration between groups and divisions

Insufficient Communication/ Collaboration

- Organization of work flows makes it difficult to communicate effectively
  - Teams that need to work together are often not co-located (ex. Employables and Employment Unit)
  - Organization structure not conducive to sharing information and teamwork
    - Frequent squabbles between supervisors over case transfer issues, documentation, etc.
    - Many handoffs between groups create process "gaps" where responsibilities are blurred
    - Efforts to improve communication are added on to the process rather than integrated into the process (i.e. supervisor communication meetings)
  - Current workloads leave little time for communication improvements
    - Emphasis is placed on moving the case file to another group, increasing opportunity for errors
    - To complete basic work functions, the additional communication meetings and the like are cut out
- Lack of tools available to facilitate communication and collaboration
  - E-mail systems often not compatible, making electronic communication difficult
  - Integrated system that contains robust information and worker case notes
  - Paper-based processes create paper-based communication with heavy use of photocopying, handwritten notes and faxing – "We cannot transfer cases without the case file"
  - No set process to resolve issues between groups (Ex. Work Now and Work and Learn teams do not receive all the documentation they need to complete their work efficiently, but no process in place to communicate needs to Intake – ex. Medicals
  - Lack of integrated systems prevents utilizing electronic notifications, system red flags, etc. to anticipate errors before they affect clients and/or providers

# Business Process Assessment

## Insufficient communication and collaboration between groups and divisions

**Insufficient Communication/ Collaboration**

- Lack of formal means to share information and knowledge
  - Insufficient emphasis on sharing information
    - No process exists to track what knowledge or information is required and how to fill gaps – i.e. Many staff members indicated that having a person or persons with a deep medical background would significantly assist them in reviewing medicals and ensuring that doctors' orders are a true reflection of the client's health
    - A/P for day care finds many mismatched vouchers and attendance sheets, however no notification is given to anyone of mismatch. Instead, wait for calls to come in after payments are made and issues arise
    - Few tools available to facilitate knowledge sharing such as integrated systems and a central database
  - Significant amount of knowledge resides solely in people's heads
    - Many employees said they "Just know" or "From experience" when asked how they know to do key tasks or to check extra carefully with certain providers or doctors
    - Significant reliance on past experiences, leaving departments at risk to turnover
  - Errors are typically repeated month after month, year after year
    - Few groups explain errors made by other groups, instead simply fix error every time they occur
    - Little time/budget available for training and documenting
- Impacts:
  - Increased cost of processing due to high error rates
    - Significant staff time spent processing reversals, correcting errors etc.
    - Mistakes often not caught until after the fact; ex. Errors made in assessing eligibility for Emergency housing are often caught once the client is in housing, and mandates stipulate that a client must be given 10 days notice before they can be removed from housing
  - Creative solutions end up only helping one area or group, diminishing potential benefits
    - Mail-in application process
    - CD Tracking system
  - **Decreased ability to properly plan and control the operations**
    - Difficult to predict work loads
    - Uninformed decision-making

# Business Process Assessment

## Insufficient planning and controls


- Staff is frequently in a reactive mode
  - "We can never predict our volumes"
  - Disjointed, paper-based processes make reporting and tracking difficult
  - Focus too much on caseload, not enough on process information to focus efforts
    - All staff members can quote their caseload, but know little else about how the processes operate or where time is spent
    - Little tracking of key measures such as error rates, cycle-times, costs, etc.
    - Lack of upfront error reports to notify staff of pending issues requiring resolution
    - Clients and providers often call AFTER a negative event has occurred, such as a missed day care payment
- Staff lacks proper tools and skills to assist with planning
  - No use of regression analyses, control charts or other statistical tools to predict volumes or track process variation
  - Even when peak times are known, action is taken only when the peak occurs, rather than organizing additional staff in advance – i.e. TANF Emergency Team calls around to get additional help from other teams once peak is occurring
  - Lack of proper systems to easily extract needed information in a usable format
  - Priorities not based on detailed cost vs. benefit analysis and concrete facts
- Paper management issues leave little time for planning and control
  - Staff time focused on non-value added clerical work. Rough estimates based on interviews are:
    - Supervisors = 10-20%
    - Seniors = 25-30%
    - Staff = 35-50%
  - Basic reporting requirements take up staff time, diverting time away from the value-added analysis of reports
  - Difficult to validate that data is both complete and accurate
- Results in **difficulty program management**

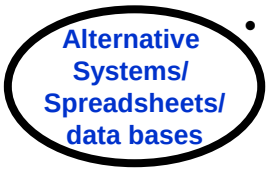
# Business Process Assessment

**Disjointed processes, excessive paperwork, insufficient communication and insufficient planning and control make effective program management difficult**


- Management must often act without the proper facts
  - Few cost-benefit analyses completed before executing changes
  - Cost-benefit analyses that are completed typically are not robust enough
  - Proper information extremely difficult to obtain given current structure, processes and systems
- Solutions to key issues are often ad hoc and attack symptoms rather than root causes
  - Changes frequently made in a vacuum, without consideration to downstream impacts or potential benefits in other areas
  - Effect felt greatest in system changes
  - Changes often create more work and do not solve the actual problems
- Insufficient measurement of the impact of changes
  - Many projects have unspecific and ambiguous targets that are difficult to measure
    - "Reduce the number of applications processed" – By how much?
  - Results that are measured are seldom translated into cost savings
- Default solution is "add more staff"
  - With the focus on programs and compliance, insufficient thought or effort is spent looking for changes in *how* things are completed
    - What are the key bottlenecks to handling more cases?
    - Can the number of cases be reduced?
  - Time and effort are expended re-keying data, correcting errors, chasing case files, however little data exists on error rates, cost to correct errors, financial impact of lost files, cycle times, etc. that would provide support for key investments in technology
- Impacts:
  - Changes made are less effective; issues rarely resolved on first attempt
  - Results are often disappointing or unable to be quantified
    - CD Tracking system
  - ***In order to manage more effectively, alternative systems, side spreadsheets and various databases are created***

# Business Process Assessment

**The factors raised in the previous pages result in a alternative systems, spreadsheets and databases – all of which have emerged in an attempt to gain more control**




- Each area has attempted to make changes in their own span of control to improve management and processing
  - Rehab's CD tracking system implemented to improve monitoring of compliance. Vast improvement over previous manual tracking
  - Employables staff members developed their own database to track the location of case files
  - TANF Intake has implemented a new mail-in application process
  - TOP has a small team working on changes within the TOP division
  - CPS has implemented some tools to assist with remote data entry
- At the desk level, staff members create various tools and use a variety of software to try to improve how they manage their work
  - Tools tend to be developed personally and not shared
  - When person shifts positions, the tools tend to move with them
  - Ex. Many small Q&A databases used throughout the department
- However, changes made on such a decentralized level often have mixed results
  - Project already underway to try to fix CD tracking system as System is not user-friendly and data accuracy is suspect
  - Employables PC crashed and entire database was lost
  - Successes not shared across divisions; Ex. the CD tracking system has an application in Employment for monitoring training attendance, but system developed solely for tracking CD cases; Mail-in application process appears to be very successful, however it was developed and implemented for TANF only
- In the end, the impact of these attempts is to further reduce standardization and **increase the duplication and disjointment of current processes**

# Business Process Assessment

## DSS Root Cause Analysis

- System is reinforcing, therefore:
  - Management is primarily focused on Program, not process
  - Solutions to issues continue to be *Program* based - ad hoc, fragmented changes
  - Projects often created within department or program with little contact with other departments or programs
  - Therefore, any changes inside the loop will have limited impact or will reoccur in a few years time
- Root cause appears to be the strong program structure
  - Deeply imbedded in people
  - Staff members have little knowledge of what other groups do with their work;
    - i.e. Rehab team prints out 3209 forms and sends them to “Green Room” but have no idea what that room does with the form
  - “Us vs. them” between programs and between groups within programs - “Those people in Intake have no idea what they are doing…” When errors are made, fingers are pointed at the people, rather than the process, and little is done to correct the process to eliminate repetitive errors
- Result: changes won’t “stick” if program walls are not broken down
  - Focus on process, not program (Intake, Care Management…)
  - Solutions need to be process-based, not program - or group based
  - Cross-function problem solving is essential

# IT/IS Assessment

## Summary

As has been recognized at both the State and the Federal level, limitations on usage of existing funding streams to program specific applications is directly contrary to effective design and implementation of Information Technology and Information Systems (IT/IS) within government. Effective IT/IS architecture addresses organizational requirements holistically to achieve maximum efficiency in the delivery of supportive services to the organization and to achieve the flexibility required to support changing business process. By limiting funding streams to particular usage, the "mandate environment" in place makes certain strategic technology investments difficult.

Efforts are underway to address this issue at the Federal and State levels. Our assessment indicates that there are also significant opportunities for Monroe County to improve the delivery of IT/IS support services to the organization and to better support business processes as they evolve.

A common complaint made by DSS employees was that much of the IT systems landscape is State mandated. Upon closer inspection, we discovered that only two out of more than 125 applications are actually mandated. However, that does not dismiss the fact that the impact of those mandates has been profound and multidimensional.

To better understand, consider a simplification of the events leading up to the current state (this also serves as a good example of how process and IT go hand-in-hand). NYS developed their DSS/IT systems to better manage the programs. Once in place, those large, slow to change systems had inherently put a stake in the ground. The complexity of those IT systems helped to set the (slow) pace of evolution for the programs and their processes. As a result, NYS could not change the processes without waiting for the necessary changes to the intertwined IT systems.

## Summary (cont'd)

This creates a set of circumstances that makes it challenging for the counties to independently make improvements—the immovable, mandated systems virtually stand in the way of better systems. The lack of service and process-related functionality from the IT systems creates a dilemma – the workaround. Sometimes the workaround is as simple as devising a manual process to fill the gaps. Other times the workaround takes the form of additional, disparate systems that inevitably add to the complexity (and redundancy) of the work processes themselves. Either way, the workaround is quite potentially undesirable.

The "mandate environment" also creates misperceptions. State funded is often misinterpreted as State mandated. In effect, those funded systems are treated as mandated, so the County often operates in the "take what is given to us" mode. The result is that justifiable system improvements are often overlooked even though there may be a strong business/financial case for foregoing the State system for a locally provided solution.

Evidence suggests that DSS culture has been heavily influenced by the program-centric structure of the State. DSS needs set their own direction and, to the degree that it's possible, move toward a process-oriented set of IT systems.

The following pages detail the current state of IT in Monroe County's Department of Social Services and, in the process, the specific areas of opportunity that exist.

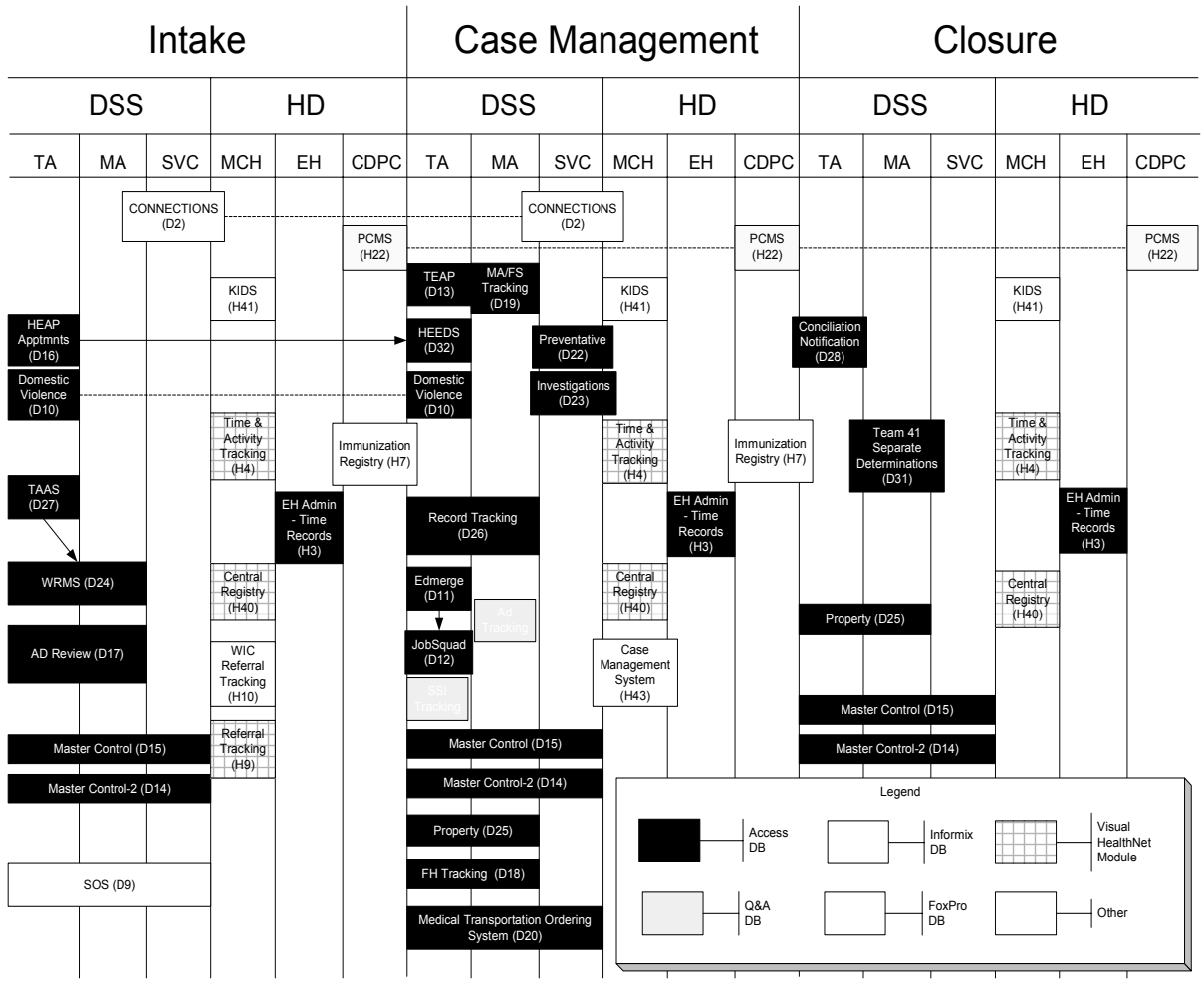
# IT/IS Assessment

## Program-Driven Process and IT Challenges Intertwined

***- Program Driven IT -***

Process execution by multiple divisions within multiple agencies

- Redundancy
  - Program based technology and application requirements
- Lack of Automation
  - Homegrown applications seldom interface with each other or with State systems
- Diversity of Technology
  - Application infrastructure chosen on a project basis by program
- Disparate Systems
  - Large application and technology inventory



# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

### The Effect on Operations

- Computer application inventory (*Note - many perform same or similar functions*)

| | DSS | HD | DSS + HD |
|---|---|---|---|
| Separate Applications | 34+ | 45+ | 79+ |
| Additional/Notables Apps | 70 smaller (DOS) apps | Several, tiny (Access) apps | |
| Notable | WMS has several sub-programs | | |
| Total Applications | 125+ | 50+ | ≈200 |
| Mandated Applications | 2 | 5 | 7 |
| Factoid | Temporary Assistance has to learn and use 40 different applications | Environmental Health needs to learn and use 16 different applications | Additional functional overlap |

- *NOTE – See Appendix for complete Computer Application Inventory/Summary*
- Same info ends up being data entered many times (*See Process Analysis for details*)
  - By same worker/team
  - Across multiple teams
  - Across multiple programs
- Client profile/info is captured, separately, by many of the 200 applications
- Many employees need multiple computer machines on their desk (Note – creates additional IS support issues)
  - Terminal for WMS
  - PC for State systems
  - Desktop for local and/or County-wide systems
- Estimated 50% redundancy in forms processing by employees
  - Paper and electronic
  - As reported by
    - Child Protective Services
    - Foster Care
    - Early Intervention (HD)

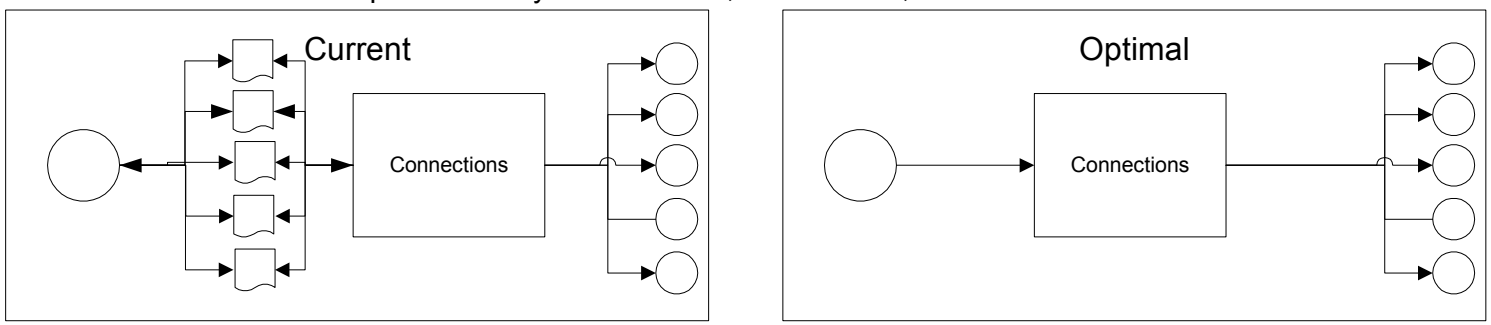
# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

### The Effect on Operations (Cont.)

- Some computer systems actually add process overhead
  - Example: Connections
    - Creates additional process for workers
    - One inch worth of forms are printed out by CPS workers, hand written, then data entered into Connections




    - Connections is down more often than not – according to CPS workers
    - *Note – System downtime statistics do not exist*
- Information is not shared between programs
  - The same Client info usually ends up being data entered many times, etc.
  - Medicaid does not benefit from existing knowledge of Welfare Fraud, etc.
- Cut/Copy/Paste not possible
- End result
  - Redundancy of paper and electronic forms leads to high repetition
  - High repetition leads to higher rate of errors
  - High rate of errors leads to rework
  - Rework leads to time-delays and slower closing of cases and more hours billed by employees
- Cut/Copy/Paste functionality not possible across many applications (and many times, within one application), thus amplifying the cost/overhead problem

# IT/IS Assessment

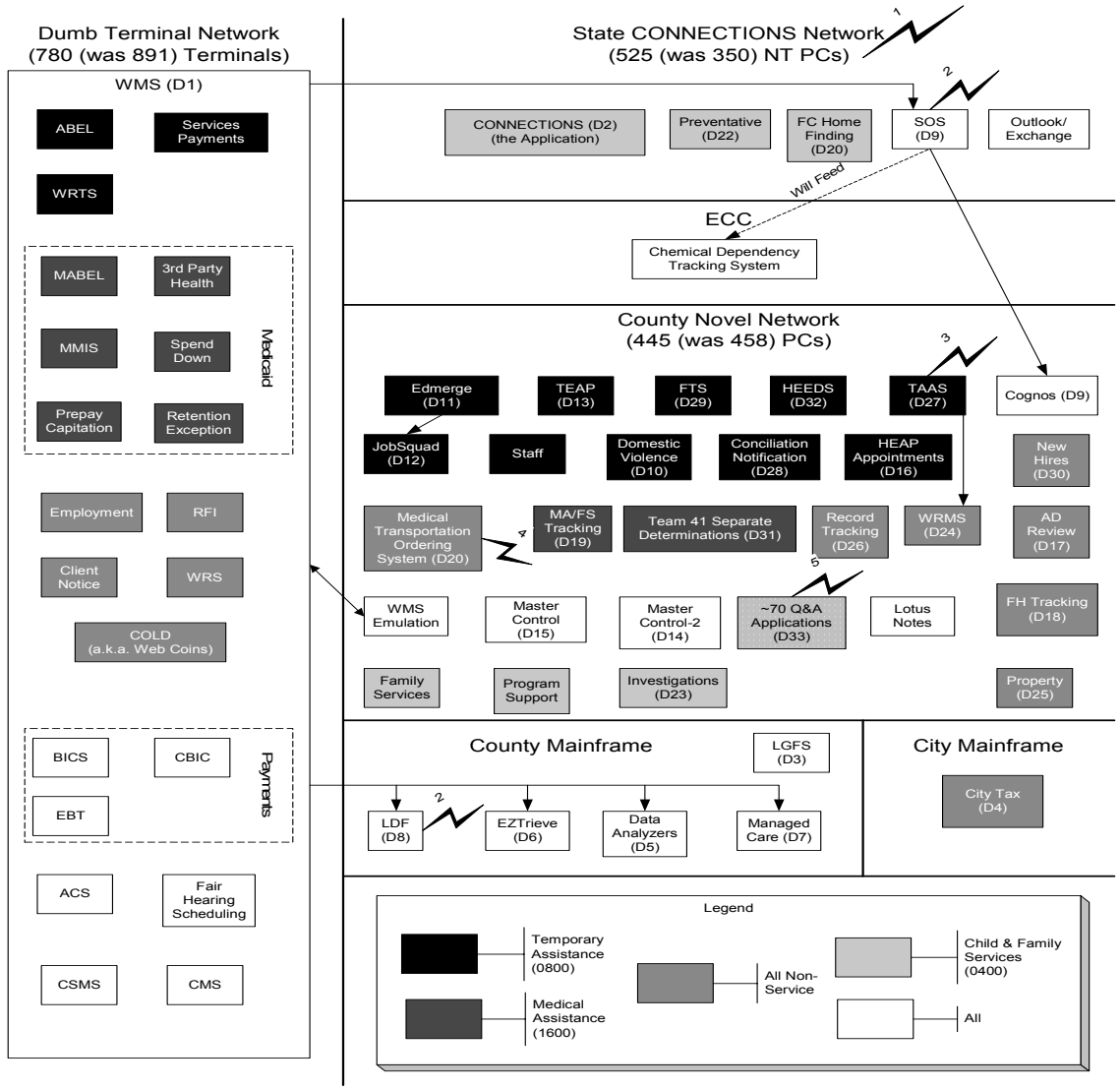
## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

### Underlying Factors at DSS

- **Stovepipe architecture (i.e. lack of system integration).**

**1. Multiple networks.** WMS is acessed via a state supplied dumb terminal network, the state has supplied the CONNECTIONS Network to support the CONNECTIONS application, and the county supports a Novel Network. The state provides support for the CONNECTIONS Network, making the trend towards a reduction in dumb terminals and county PCs and an increase in PCs on the CONNECTIONS Network desirable.
**2. WMS data is not directly accessible for reporting.** The state sends bulk data exports to MC which are loaded into LDF and SOS. LDF is the legacy format and is being moved away from. SOS is a SQL Server backed application which supports flexible reporting via Cognos. The current trend away from LDF is desirable.
**3. TAAS, HEAP Appointment, and WRMS are all appointment systems.** While the trend towards SQL Server backed ASP applications is good, a high level application architecture seems lacking.
**4. Medical Transportation Ordering System is slow** and interferes with process.
**5. ~70 Homegrown applications built on an DOS flat file database called Q&A** have been migrated to Access DBs with VB front ends. Some of those Access DBs have been migrated to SQL Server with ASP front ends.



## IT Challenges Impacting Front-Line Operations
***- Redundancy -***

### Underlying Factors at DSS

- Three major, non-integrated platforms:
  - WMS (Welfare Management System)
    - State mandated, supplied and funded
    - Immovable - cannot remove or modify
    - Cannot integrate directly with other, existing DSS systems
    - Large, key system with several sub-programs
    - Only stores limited profile about Client
    - Clumsy for Client intake processing
    - Useful for billing and reimbursement
    - Does note help Care Management (most Client data is case/service-related)
  - Connections
    - Fed mandates functional requirements be met by State
    - State, therefore, mandates same functional requirements be met by County
    - State supplied and funded
    - Worker must enter same info several times into many forms (instead of capturing info once, with system propagating that info to all the different forms on an automated basis)
    - Email provided here
    - Hardware/network leveraged to provide several small, supplemental applications (due to functional inefficiencies of WMS and Connections)
  - County network and systems
    - No mandates
    - Numerous non-integrated, non-related application suggest lack of architectural vision and cohesiveness
    - Hardware/network leveraged to provide several small, supplemental applications (due to functional inefficiencies of WMS and Connections)

# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations
***- Redundancy -***

### Underlying Factors at DSS

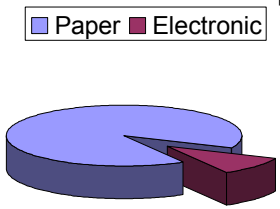
- Heavily State driven
  - Integration more challenging
    - State systems are closed systems
      - No API (applications programming interface) published by the State
      - Data model not published by the State
      - Mainframe security does not allow access to underlying business components or database
      - Not implemented using current, integration ready technologies
  - State funding inhibits solutions/creativity
    - Though only two systems are State mandated, those systems are huge;
      - WMS
      - Connections
    - Much needed functionality missing
    - Local applications typically cannot “displace” State application or integrate with them, thus local applications can rarely be optimized for technical or process efficiencies
- Many Graphical User Interfaces need to be learned by workers
- Cannot enter data into one system (WMS, Connections, County applications) and have that data automatically propagated throughout and to the other/remaining systems

# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations
***- Lack of Automation -***

### The Effect on Operations

- Too much paper – not enough info is captured into a database
  - 90% of the data captured by examiners and caseworkers is never stored in a computer system




  - Forms are currently hand-written, filed, mailed, copied, retrieved, etc. – time and again
- Too many points of entry caused by the following factors:
  - Physical files are often lost, causing delays in program operations
  - Lack of integration for propagation of data (discussed earlier)
  - Functional redundancy of systems (discussed earlier)
  - Too many systems
- Applications are data entry oriented – no work-flow systems
- Lack of user-friendliness of applications results in insufficient level of automation. For example:
  - WMS
    - Forces the user to navigate through several “green screens” to accomplish basic tasks that could be handled with one well-designed screen
    - Forces the user to learn cryptic codes, instead of presenting itself in an intuitive and efficient manner
    - Even though some information is entered into WMS, DSS still uses printouts of that information to send around to other teams/groups/departments
  - Connections
    - Requires excessive navigation for even simple task (3-click rule frequently violated)
    - Connections crashes frequently (no actual data available)
- Medicaid does not benefit from existing knowledge of Welfare Fraud, etc.

# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations

***- Lack of Automation -***

### Underlying Factors at DSS

- WMS
  - Does *not…*
    - Capture all "intake" info.
    - Perform any rules-based, eligibility decision making.
    - Store "Care Management" info.
  - In some cases, prints information for manual processing at a later point (instead of continuing electronic management of information).
    - Example – Income Eligible Day Care.
- Connections
  - Does *not…*
    - Comply with Fed's security requirements, according to a recent McCall audit of Connections (Office of New York State Comptroller).
    - Has taken seven (7) years and $240M, but is neither fully operational, secure, nor user-friendly.
    - Capture all "intake" info.
    - Perform any rules-based, eligibility decision making.
    - Store adequate "Care Management" info.
    - Provide automated data loading capability for mobile users to synchronize with system (forms must be printed, hand-written, then data entered).
    - Capture data just once and generate needed forms/reports off the back of the system – user must generate forms/reports manually.
  - Downtime is too frequent – leaves users with *no* automation for stretches at a time.
- State mandates stifle IT progress at DSS.
  - Don't perform enough needed functions.
  - Not user-friendly.
  - Prevent better systems from being implemented.
  - Technical workarounds become the norm.
  - Outdated technology creates opportunity cost by stopping…
    - Integration
    - Consolidation

## IT Challenges in the Back-Office
***- Diversity of Technologies -***

### The Effect on Operations

- An excessively broad range of technical knowledge is needed by technical staff in order to effectively support the existing systems.
  - Requires extra training dollars.
  - Either need more staff to cover more area, or more hours spent per staff member learning the tool itself instead of supporting the application or functionality.
  - Quality of service may be impaired.
  - Timeliness of service likely to be impaired.
  - Hidden staff costs associated with experimenting with and learning additional technologies.
- Paying for too many software licenses.
  - Platform/Operating Systems licenses.
  - Database licenses.
  - Development tools.

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Diversity of Technologies -***

### Underlying Factors at DSS and County IS

- At least 6 major platforms.
- At least 11 database brands.
- At least 8 programming tools and languages (and most likely many more).

| Platforms (6+) |
| --- |
| City Mainframe |
| County Mainframe |
| State Mainframe |
| State Network |
| County Network |
| AS/400 |

| Databases (11+) |
| --- |
| Oracle |
| Microsoft SQL Server |
| Microsoft Access |
| Q&A |
| Informix |
| Excel |
| EPI |
| Envoy |
| DB400 |
| FoxPro |
| VSAM |

| Programming Tools and Languages (8+) |
| --- |
| EPI |
| Visual InterDev |
| Microsoft Access |
| Visual Basic |
| Cognos |
| Crystal Reports |
| COBOL |
| EZTrieve |

# IT/IS Assessment

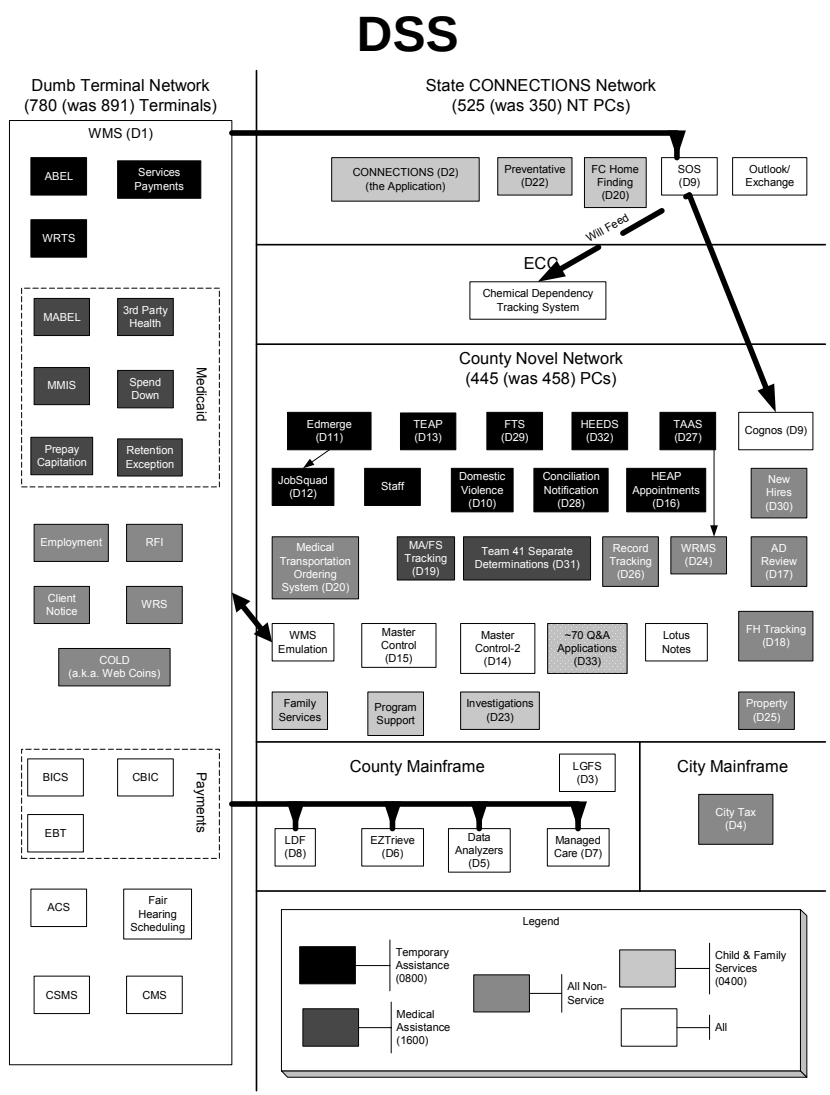
## IT Challenges in the Back-Office
***- Systems are too Disparate -***

### The Effect on Operations

- Need more technical support staff.
  - More individual users per system.
  - Inter-system processes are more manual.
  - IS staff needs to support more users.
  - Regardless of underlying technology, there are extra systems to support.
- End up managing more vendors.
- End up managing more projects.
- Not leveraging infrastructure as much as possible.

### Underlying Factors at DSS

- More than 125 applications.
  - Less than 10 of those applications (5%) integrate with another application.
  - Adding to the problem, virtually no integration exists between DSS and HD.



# IT/IS Assessment

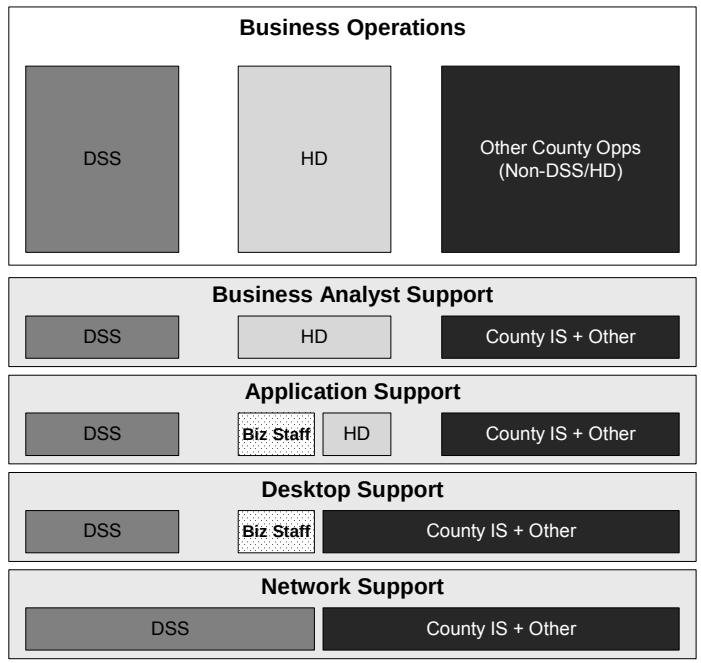
## IT Challenges in the Back-Office
***- Organizational Structure -***

### The Effect on Operations

- Some unnecessary duplication of technical roles across DSS and County IS.
- DSS and County IS staff support:
  - Networks
  - Desktops
  - Servers
  - To some extent, applications

### Underlying Factors at DSS and County IS

- There are four (4) areas/levels that require support:
  - Business Analysis
  - Applications
  - Desktops/PC's
  - Networks
- 3 ½ organizations are utilized to support just two (2) departments (DSS and HD) at almost all levels:
  - DSS = 9 FTE's
  - HD = 4 FTE's
  - County IS (central) = 59 FTE's
  - HD non-technical employees (Biz Staff) = 8 PTE's
- Not including HD, two organizations are utilized to provide IS support to DSS:
  - DSS = 9 FTE's
  - County IS



# IT/IS Assessment

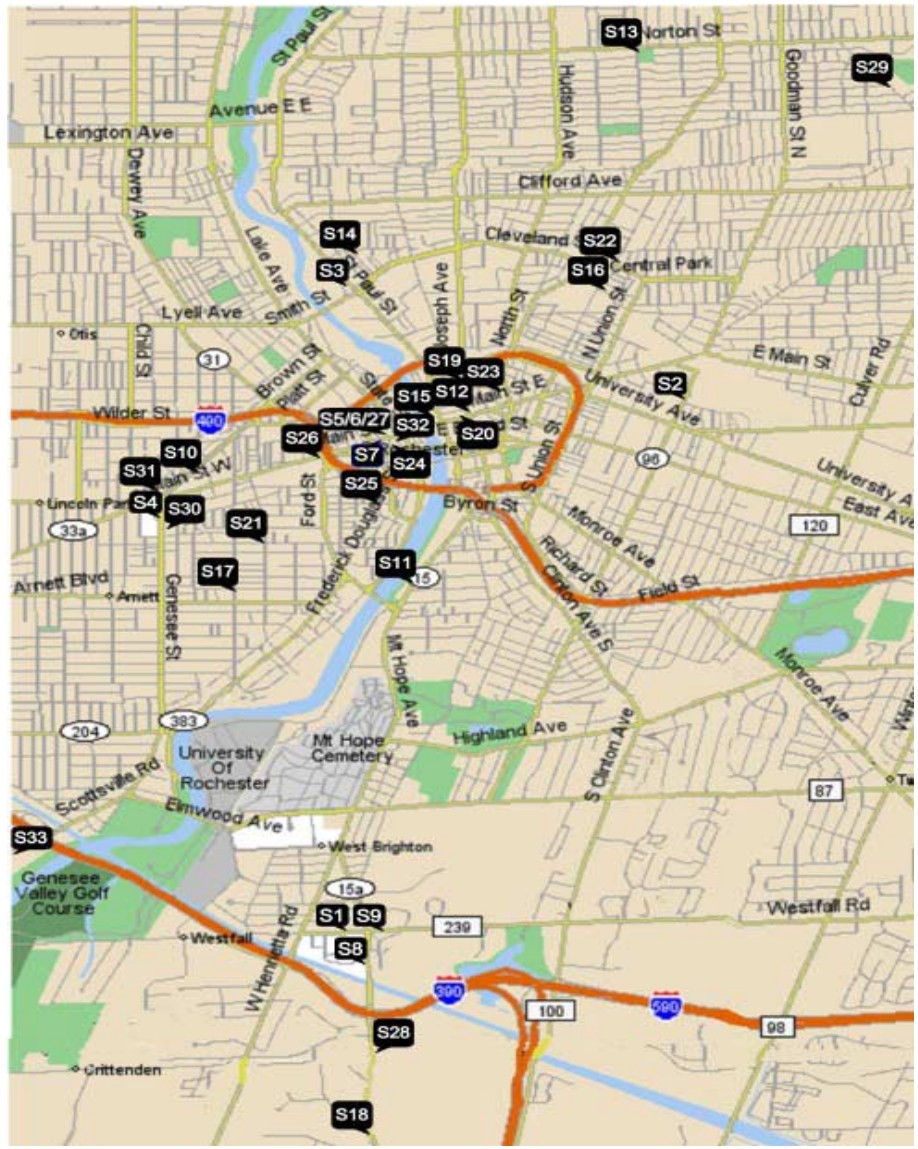
## IT Challenges in the Back-Office
***- Logistics -***

### The Effect on Operations

- DSS and County IS staff must occupy or travel to too many locations to provide hardware and applications support
  - Loss of time
  - More difficult to manage staff
  - Increases potential for redundancy of technical staff

### Underlying Factors at DSS and County IS

- Computers operations
  - 33 rooms.
  - 30 buildings.
  - All require support from either DSS, HD, or County IS.
  - Computer room space is under utilized in many buildings.
- Why so scattered?
  - County did not always have high-speed network – it does now (thanks to new fiber).
  - Needed server located close to business operations for speed/performance issues, etc.



# IT/IS Assessment

## IT Challenges in the Back-Office
***- Finances, Funding and Resourcing -***

### The Effect on Operations

- State-supplied systems create an environment of:
  - Antiquated technology
  - Limited functionality
- State systems often occupy critical functionality space, preventing better solutions from being used or implemented
- The closed nature of state systems hinders integration and, therefore, automation
- State-supplied systems hinder growth of other DSS systems
- DSS suffers somewhat from relying too heavily on State funding for non-State-mandated systems (i.e. if the State does not buy it, DSS does not do it) creating an opportunity cost:
  - Operational inefficiencies
  - Unnecessary technical support overhead
- Projects do not get done (not started)
- Quality of service (systems support, reliability and availability) is decreasing
- Applications technology and investment lacks strategic approach
- Perhaps unnecessary dependencies and costs exist re: County Mainframe
- Operations cannot be managed effectively from a performance or fiscally aware perspective
  - (WMS, Connections, LGFS, etc. are key drivers here)

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Finances, Funding and Resourcing -***

### Underlying Factors at DSS

- Heavily State funded
- $1.2M/yr budget
  - Salaries
  - Computer and networking equipment/support
  - Small applications development
- Not able to hire FTE developer to perform job that is already being paid for with contract money
- Low level of outsourcing
- High level of State assistance (day-to-day support of WMS, etc.)

### Underlying Factors at County IS

- 59 FTE's
- "Owns" IBM Mainframe, yet we found at least $750K in reoccurring costs associated with it
- Very modest budget – still shrinking
- Network
  - Development and support is centrally funded and controlled
  - Support is outsourced
  - Relatively modern, reliable and fast
- Software/Applications
  - Development and support is funded by program teams, not centrally
  - Support is handled internally – sometimes doesn't exist due to funding issues
  - Most systems are antiquated (e.g. LGFS) and sometimes slow, unreliable, or not user-friendly
  - In general, lagging behind network

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Strategy and Architecture -***

### Basic Facts

- Information Management Planning Board (IMPB)
  - Chair – Richard Mackey (Deputy County Executive)
  - 10 department heads
  - Meets monthly
  - Policies and goals
  - Approves:
    - Non-Capital projects >$100K
  - Approves and Controls:
    - Capital projects >$100K
- Architecture Review Board
  - Sub-component of the IMPB
  - Chair – Jaime Bari (Financial Services)
  - Business team
  - Technical team
  - Technical strategy
  - Responsible for ROI calculations re: technology investment
  - Approves:
    - Projects <$25K
  - Approves and Controls
    - Projects $25K → $100K
  - Reviews:
    - Non-Capital projects >$100K
  - Reviews and Controls:
    - Capital projects >$100K

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Strategy and Architecture -***

### Our Observations

- Some evidence of strategies consistent with a movement towards architectural coherence.
- Existing Information Technology Investment Process provides:
  - Qualitative and quantitative criteria
  - Compare and prioritize functions
  - Milestones for measuring progress
- Existing application portfolio
  - Fragmented
  - Individual applications built based on program-level requirements ( vs. agency-level requirements)
- No documented Baseline Architecture, describing:
  - Current state
  - Target Architecture
  - Desired state
  - Transitional Architecture (defining a plan to move from current state to desired state)
- No clearly defined individual(s) with responsibility for architectural coherence at:
  - Agency level
  - County level

# Contract/Contractor Assessment

## Summary

Our assessment of the contract creation, management and evaluation process in place at DSS indicates a number of opportunities to maximize the value and the impact of contractual relationships while meeting client needs.

The disparate and program-driven contract management systems used across DSS and HD result in inadequate and inconsistent contract/vendor management. County employees involved in the contract creation, management and evaluation process are devoted and highly committed to ensuring that the vendors provide value to the clients they are intended to serve. Some of these employees expressed concern with current contractor relationships, indicating that many clients received excess services under those contracts. At the same time, other employees felt that some clients were not getting enough services. Employees also felt that the contractors charging the highest rates were not providing the highest level of service.

This lack of a documented, comprehensive and uniformly adopted contract/vendor management process limits the departments' ability to manage costs and guarantee client satisfaction. The department has executed contracts that do not sufficiently detail the services that are to be provided, the level of service to be provided, how many clients will be served and the mechanism and measures that will be used to evaluate contractor performance. Contractor performance is, as a result, difficult to evaluate, and comparisons between competing vendors are difficult to make.

# Contract/Contractor Assessment

## Summary (Cont.)

Of particular importance, the contract management process is not linked directly to payment for services. It is therefore difficult to measure and control actual versus projected expenditures or to control overall expenditures system wide. This makes it difficult for the department to identify problem areas or secure better rates and services from individual providers.

# Contract/Contractor Assessment

The IT system used for managing the contracting process is a homegrown application, based on an old database platform, that is not sufficiently robust to effectively manage 300+ contracts.

- The system cannot generate an accurate contract inventory, contract value or total value for the contracts that are in place.
- The contract management system cannot link to or integrate with contract payment information. Special reports must be generated in order to compare and reconcile actual expenditures for a contract versus the actual contract amount.

  **The contracting office must request that the IT department generate special reports, which compare the contracted amount to the actual dollars spend on the contract.**
- The contract management system does not allow managers to track and flag all the critical issues related to the contract (i.e. Insurance Expiration Date).
- The system and the processes are not capable of tracking contracts that are in transition.
- ***Effects:***
  - ***Difficult to access important information which is needed to effectively manage contracts and evaluate contractor performance***
  - ***Difficult to identify and address potential bottlenecks and key contract issues in a timely fashion***
  - ***Difficult to measure and control actual vs. projected expenditures***
  - ***Difficult to control overall expenditures system wide***
  - ***Difficult for the department to leverage this information to identify problem areas or obtain better rates from individual providers***

# Contract/Contractor Assessment

The contract creation and management process is largely undocumented, overly manual, and not uniformly adopted enough to effectively manage 300+ contracts.

- The contract/vendor management process resides primarily in the heads of two individuals.
- The contract renewal and management sub-process allows for services to be provided on expired contracts (contracts in transition).
- The current contract/vendor management process is not able to provide an accurate picture of the contracts that are in transition (contract has expired and will likely require renewal).

  Contracts do not sufficiently detail the level of service to be provided, the number of people to be served and the mechanism and measures for evaluating contractor performance.
- The Department does not appear to have a process for identifying and/or evaluating alternative support services in the community that could meet client needs free of charge.
- ***Effects:***
  - ***Potential crisis situation when contract management process experts are unavailable***
  - ***Inability to identify key issues and bottlenecks affecting the contract management process***
  - ***Difficult to assess contractors' performance***
  - ***Difficult to compare the value of different providers***

# Contract/Contractor Assessment

Insufficient collaboration and negotiation with contractors increases administrative and program costs.

- Multiple contracts are developed for a single vendor and each contract is negotiated separately. The volume of business being provided is not effectively leveraged to achieve better pricing.
- Many contracts seem to be generated without an appropriate level of analysis to ensure that the departments get the best value for their investment.
- The majority of contracts reviewed do not adequately define the quality and the quantity of services to be provided or detail a process for evaluating contractor performance.
- ***Effects:***
  - ***Difficult to ensure that the departments get the best value for the investment***
  - ***Difficult to hold contractors accountable for poor performance***
  - ***Difficult to stabilize cost across contractors for similar services provided***
  - ***Potential for overpayment for services***

# Finance Assessment

## Summary

Tax dollars flow in two directions: directly to the people of the county in the form of cash and benefits and to the employees of the county who administer these programs. Our function was to analyze where DSS directs these funds and to determine the relative efficiency and effectiveness with which the funds are directed.

The commitment and conviction of the employees are a significant factor in the success or failure of every organization; private-sector, not-for-profit and public-sector alike. We were impressed with the dedication of the employees and their sincere desire to improve their clients' situation. However, the efforts of DSS employees are impaired by a lack of tools, processes and information tracking and reporting systems.

The lack of information technology in budgeting, accounting and management reporting exacts a toll in the form of higher labor costs, lower response times, impeded decision-making, and, most importantly, the misallocation of resources to clients and the misallocation of the resources of the employees.

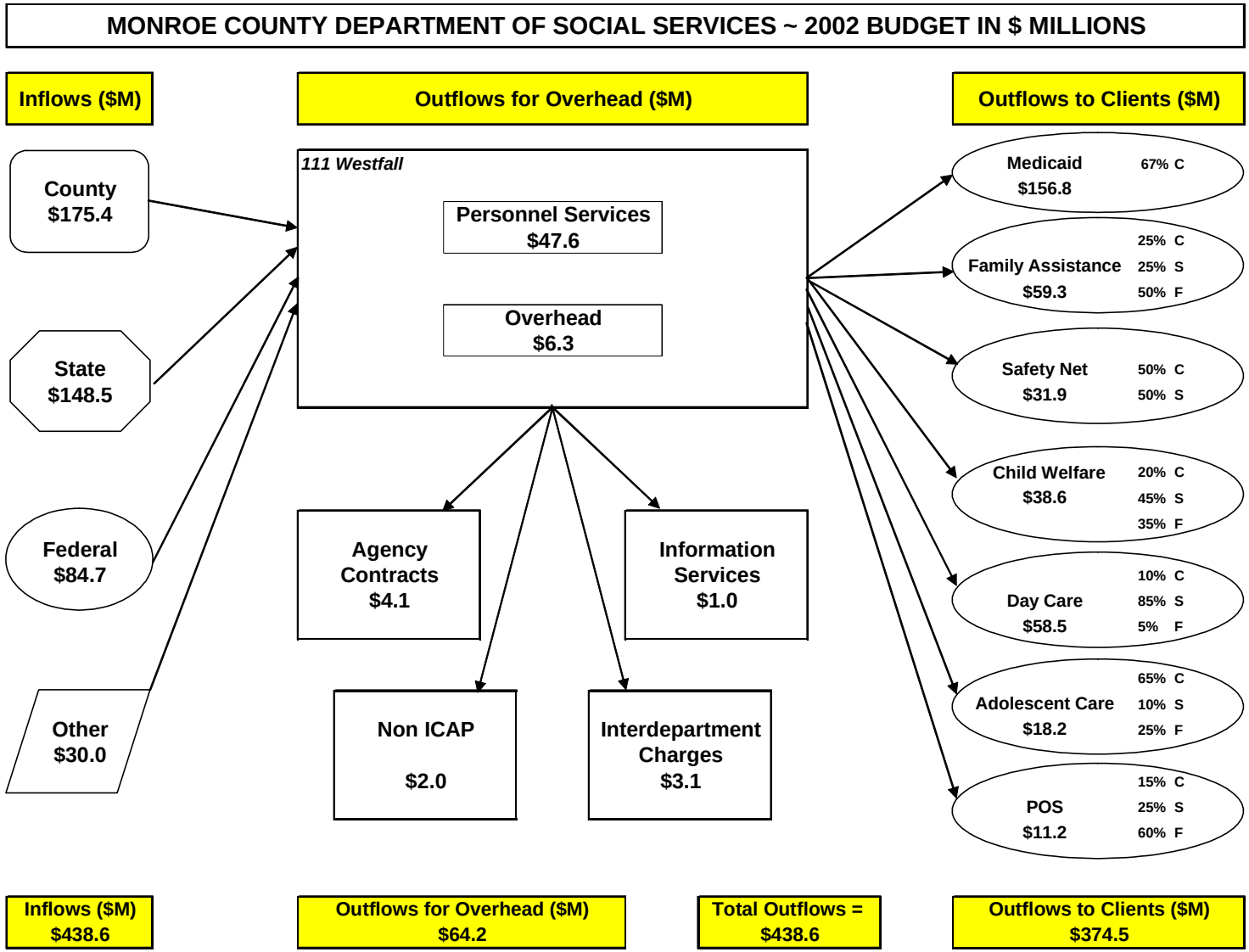
The cost of the programs in their entirety was explored by comparing caseload levels in Monroe County to other comparable counties in New York State. Population, unemployment levels, and staff levels within DSS are key determinants in the number of Temporary Assistance and Safety Net recipients within each county. The data was analyzed and it was concluded that Monroe County has an inordinate number of cases.

Implementing productivity-improvements coupled with actions designed to accelerate case closings should result in significant cost savings to Monroe County.

# Finance Assessment

The following diagram depicts the sources and uses of funds within the Department of Social Services. It shows the total inflows to the Department and the allocation of funds to overhead costs and outflows to clients through programs. The 2002 Budget includes total revenues of $438.6 M, of which $148.5 M is State Aid, $84.7 M is Federal Aid and $30.0 M is from Miscellaneous sources with the remaining $175.4 M comprising the County Share. Overhead costs total $64.2 M, while outflows to clients through programs are $374.5 M.

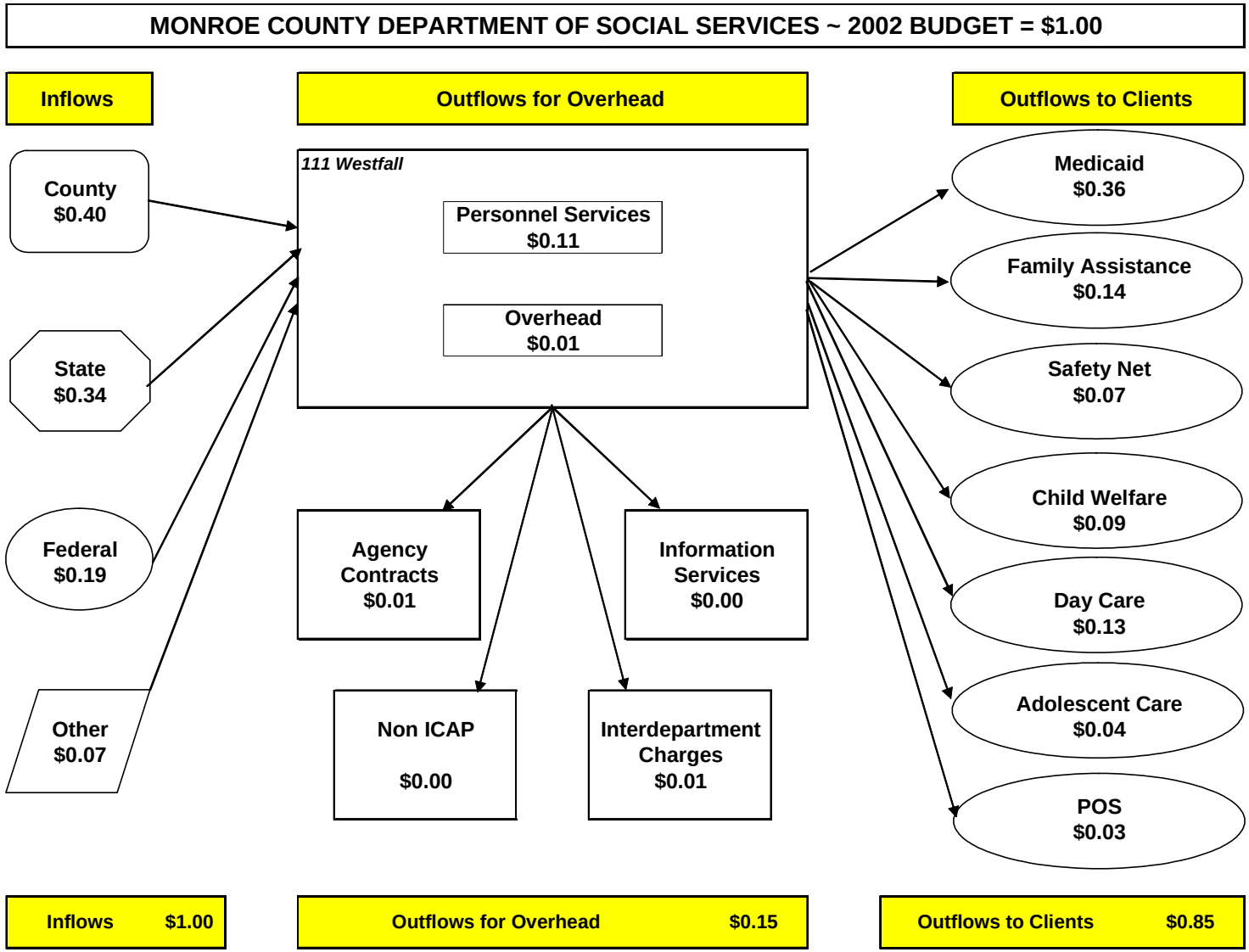
# Finance Assessment



# Finance Assessment

The following diagram demonstrates the sources and uses of one dollar within the Department of Social Services. For every dollar that enters the Department, $0.34 is State Aid, $0.19 is Federal Aid, $0.07 is from Miscellaneous sources and $0.40 is from the County. Out of every dollar spent within the Department, $0.15 is spent on overhead costs and $0.85 is spent on programs.

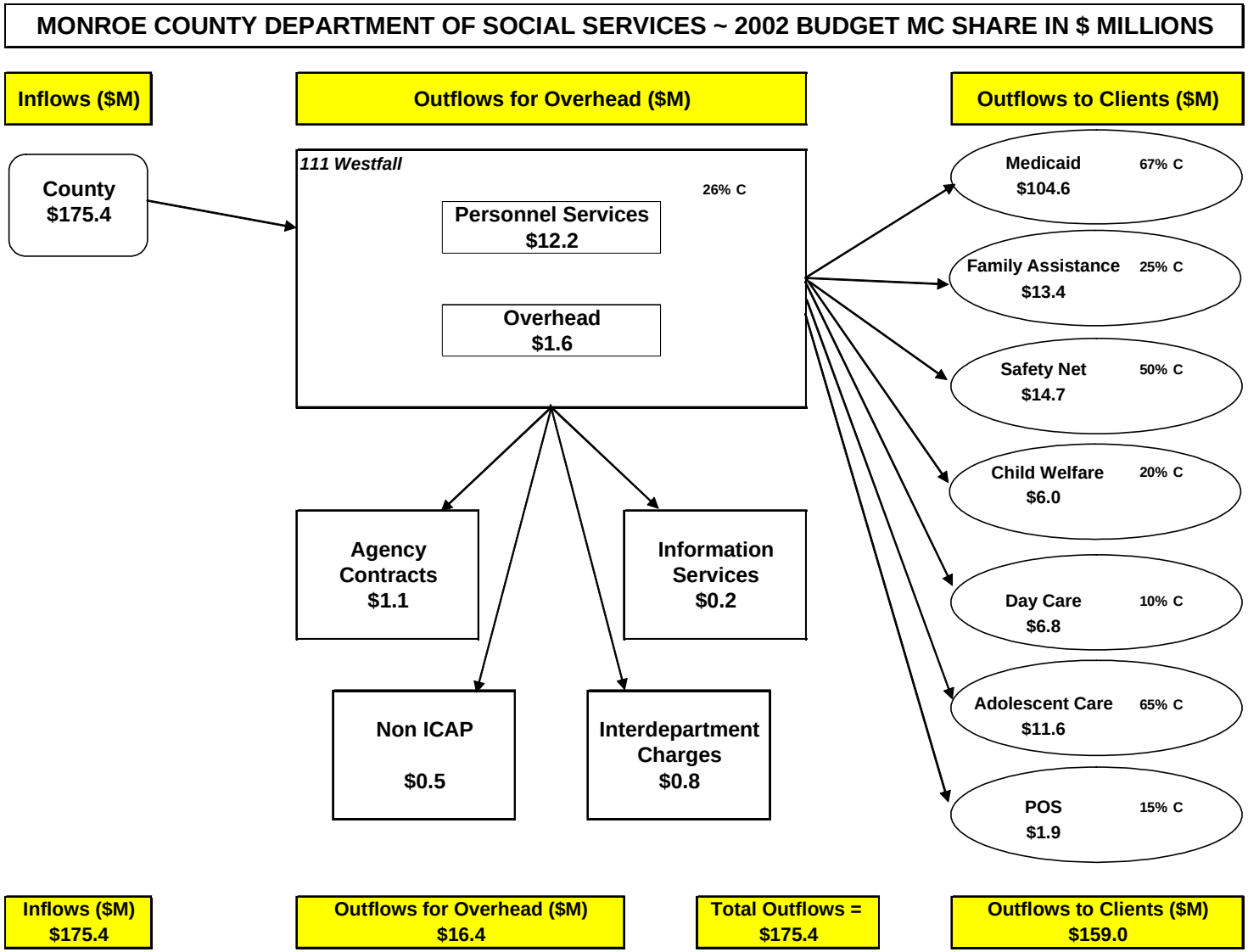
# Finance Assessment



# Finance Assessment

The following diagram depicts Monroe County's share of the overhead and program costs. Net County Support for the 2002 Budget totals $175.4 M, of which $16.4 M is allocated to overhead costs and $159.0 M to program costs.

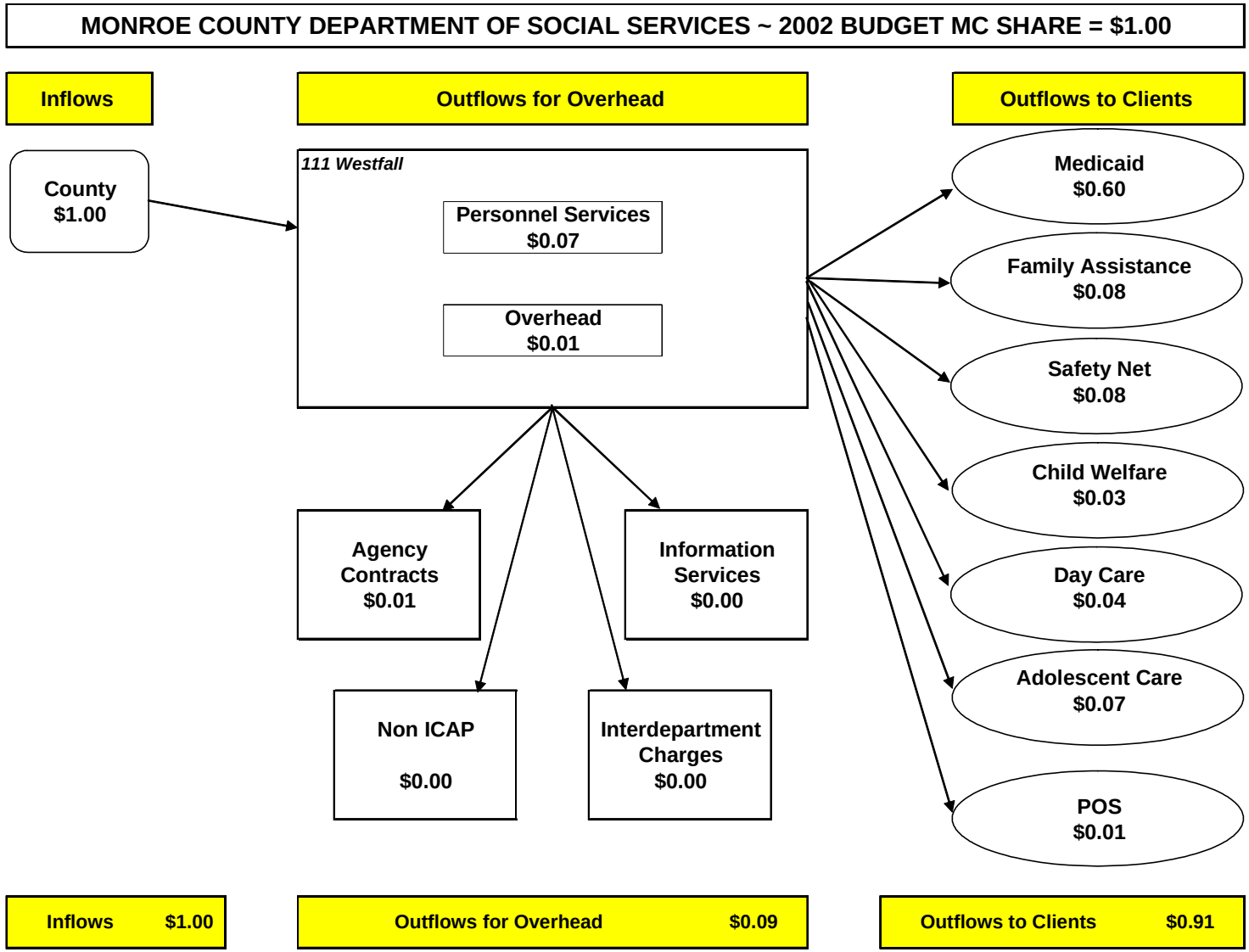
# Finance Assessment



# Finance Assessment

The following diagram demonstrates the sources and uses of one “Monroe County” dollar within the Department of Social Services.  For every dollar budgeted, $0.09 is spent on overhead costs and $0.91 on programs.

# Finance Assessment



# Finance Assessment

## MC DSS Average Program Cost per Case

| Program | County Share | Average Monthly Caseload | | | | | County Cost per Case per Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 1999 | 2000 | 2001 | 2002 | 2003 | 1999 | 2000 | 2001 | 2002 | 2003 |
| **Adolescent Care** | | | | | | | | | | | |
| JD Care | 50% | 109 | 115 | 90 | 105 | 95 | $40,188 | $21,907 | $37,246 | $42,500 | $46,649 |
| NYS Division For Youth Facilities | 100% | 185 | 191 | 193 | N/A | N/A | $30,708 | $27,276 | $27,682 | N/A | N/A |
| Non-Secure Detention (# Beds in Contract) | 50% | 41 | 40 | 43 | 45 | 45 | $27,894 | $41,746 | $41,294 | $42,586 | $42,586 |
| **Safety Net** | 50% | 4,499 | 4,077 | 3,870 | 4,500 | 5,900 | $2,569 | $2,714 | $2,834 | $3,217 | $3,208 |
| **Family Assistance** | 25% | 11,959 | 10,479 | 8,548 | 7,100 | 5,550 | $1,870 | $1,982 | $2,841 | $1,862 | $799 |
| **Day Care** | | 11,387 | 13,191 | 13,573 | 14,231 | 11,566 | | | | $984 | $906 |
| Family Assistance | 25% | 6,850 | 7,591 | 6,274 | 6,256 | 4,560 | $726 | $790 | $1,104 | $848 | $822 |
| Group | | 1,463 | 1,324 | 932 | 926 | N/A | $850 | $1,132 | $1,487 | $1,432 | N/A |
| Family | | 1,627 | 1,974 | 1,711 | 1,700 | N/A | $764 | $759 | $1,215 | $780 | N/A |
| Informal | | 3,760 | 4,295 | 3,631 | 3,630 | N/A | $661 | $698 | $954 | $731 | N/A |
| Preventive/Protective | 35% | 704 | 737 | 707 | 700 | 700 | | | | $877 | $1,449 |
| Group | | 340 | 327 | 307 | 326 | N/A | | | | $942 | N/A |
| Family | | 364 | 410 | 400 | 374 | N/A | | | | $821 | N/A |
| Low Income | 0% | 2,618 | 4,624 | 6,342 | 7,045 | 6,091 | $0 | $0 | $0 | $0 | $0 |
| Income Eligible | 35% | 1,216 | 239 | 251 | 230 | 215 | | | | $4,032 | $0 |
| **Child Welfare** | | | | | | | | | | | |
| Adoption Subsidies | 13% | 665 | 716 | 792 | 825 | 890 | | | | $1,102 | $1,087 |
| Total Foster Care | | 1,163 | 1,180 | 1,130 | 1,160 | 1,090 | | | | | |
| Institutional FC | | 401 | 409 | 394 | 395 | 395 | | | | $6,360 | $10,256 |
| Family FC | | 608 | 622 | 607 | 620 | 580 | | | | $1,424 | $2,454 |
| JD/PINS FC | | 154 | 149 | 130 | 145 | 115 | | | | $8,309 | $13,981 |
| **Medicaid** | | | | | | | | | | | |
| MMIS (unduplicated count) | 100% | 65,069 | 66,331 | 67,171 | 72,671 | N/A | $1,271 | $1,389 | $1,374 | $1,330 | N/A |
| For Sample MMIS Program Breakdown see appendix. | | | | | | | | | | | |

# Finance Assessment

## MC DSS Estimated Administrative Costs

| Program | Caseloads and Costs | 1999 | 2000 | 2001 | 2002 | 2003 |
|---|---|---|---|---|---|---|
| **Adolescent Care** | Average Monthly Caseload | 335 | 346 | 326 | 345 | 335 |
| JD Care | Total Administrative Costs | $3,724,847 | $3,891,608 | $4,044,981 | $4,065,128 | $3,967,108 |
| NYS Division Youth Facilities | County Administrative Costs | $1,410,563 | $1,333,202 | $1,905,420 | $1,769,308 | $1,720,199 |
| Non-Secure Detention | Total Admin Costs per Case per Year | $11,119 | $11,247 | $12,408 | $11,783 | $11,842 |
| | County Admin Cost per Case per Year | $4,211 | $3,853 | $5,845 | $5,128 | $5,135 |
| **Temporary Assistance** | Average Monthly Caseload | 16,458 | 14,556 | 12,418 | 11,600 | 11,450 |
| Safety Net | Total Administrative Costs | $12,020,470 | $13,411,648 | $23,300,512 | $22,245,887 | $20,411,287 |
| Family Assistance | County Administrative Costs | $8,003,966 | $9,498,028 | $12,722,768 | $7,098,086 | $4,645,890 |
| | Total Admin Costs per Case per Year | $730 | $921 | $1,876 | $1,918 | $1,783 |
| | County Admin Cost per Case per Year | $486 | $653 | $1,025 | $612 | $406 |
| **Day Care** | Average Monthly Caseload | 11,387 | 13,191 | 13,573 | 14,231 | 11,566 |
| Family Assistance | Total Administrative Costs | $1,027,475 | $1,027,807 | $1,135,437 | $1,108,547 | $961,881 |
| Preventive/Protective | County Administrative Costs | | | | $222,818 | $155,632 |
| Low Income | Total Admin Costs per Case per Year | $90 | $78 | $84 | $78 | $83 |
| Income Eligible | County Admin Cost per Case per Year | | | | $16 | $13 |
| **Child Welfare** | Average Monthly Caseload | 1,828 | 1,896 | 1,922 | 1,985 | 1,980 |
| Adoption Subsidies | Total Administrative Costs | $4,181,228 | $4,422,878 | $5,037,267 | $4,936,520 | $4,551,344 |
| Foster Care | County Administrative Costs | | | | $992,241 | $736,407 |
| | Total Admin Costs per Case per Year | $2,287 | $2,333 | $2,621 | $2,487 | $2,299 |
| | County Admin Cost per Case per Year | | | | $500 | $372 |

# Finance Assessment

## MC DSS Regression Analysis: Safety Net Caseload May 31, 2002

| County | Population | Unemployment Rate | SN Staff | SN Cases Actual | SN Cases Predicted | Variance # Cases | Variance % | SN Cases per Staff | Rank: Hi to Lo |
|---|---|---|---|---|---|---|---|---|---|
| Albany | 294,007 | 2.9 | 143 | 1,379 | 513 | 866 | 169% | **9.6** | **3** |
| Erie | 944,408 | 5.5 | 453 | 5,775 | 4,461 | 1,314 | 29% | **12.7** | **2** |
| Nassau | 1,334,648 | 3.7 | 188 | 1,562 | 1,336 | 226 | 17% | **8.3** | **5** |
| Niagara | 218,509 | 6.9 | 153 | 916 | 818 | 98 | 12% | **6.0** | **8** |
| Oneida | 233,659 | 4.9 | 259 | 662 | 1,970 | (1,308) | -66% | **2.6** | **9** |
| Onondaga | 457,866 | 4.8 | 268 | 1,927 | 2,125 | (198) | -9% | **7.2** | **6** |
| Suffolk | 1,438,973 | 3.9 | 385 | 2,725 | 3,696 | (971) | -26% | **7.1** | **7** |
| Westchester | 928,888 | 3.9 | 405 | 3,783 | 3,809 | (26) | -1% | **9.3** | **4** |
| **Monroe** | **733,607** | **5.4** | **317** | **5,792** | **2,800** | **2,992** | **107%** | **18.3** | **1** |

This regression analysis calculates the relationship between County Population, Unemployment Rate, DSS Staff levels and the number of Safety Net cases in eight comparable NYS Counties.

The result is a model which predicts the number of Safety Net cases each county "should" have based upon the variables utilized. The difference between the Actual caseload level of each county and the caseload Predicted by the regression analysis results from other, unknown, variables not included in the model.

The regression analysis model predicts that Monroe County "should" have 2,800 Safety Net cases instead of the 5,792 Actual cases.

Data available for this analysis was July 2001 Population Estimate, April 2002 Unemployment Rate and May 2002 Caseload data. All caseload data was supplied by MC DSS.

# Finance Assessment

## MC DSS Regression Analysis: Family Assistance Caseload May 31, 2002

| County | Population | Unemployment Rate | FA Staff | FA Cases Actual | FA Cases Predicted | Variance # Cases | Variance % | FA Cases per Staff | Rank: Hi to Low |
|---|---|---|---|---|---|---|---|---|---|
| Albany | 294,007 | 2.9 | 143 | 2,052 | 1,283 | 769 | 60% | **14.3** | **3** |
| Erie | 944,408 | 5.5 | 453 | 6,597 | 5,192 | 1,405 | 27% | **14.6** | **2** |
| Nassau | 1,334,648 | 3.7 | 188 | 2,365 | 2,092 | 273 | 13% | **12.6** | **5** |
| Niagara | 218,509 | 6.9 | 153 | 1,306 | 1,471 | (165) | -11% | **8.5** | **8** |
| Oneida | 233,659 | 4.9 | 259 | 1,254 | 2,694 | (1,440) | -53% | **4.8** | **9** |
| Onondaga | 457,866 | 4.8 | 268 | 3,422 | 2,854 | 568 | 20% | **12.8** | **4** |
| Suffolk | 1,438,973 | 3.9 | 385 | 3,498 | 4,468 | (970) | -22% | **9.1** | **7** |
| Westchester | 928,888 | 3.9 | 405 | 4,141 | 4,581 | (440) | -10% | **10.2** | **6** |
| **Monroe** | **733,607** | **5.4** | **317** | **6,341** | **3,518** | **2,823** | **80%** | **20.0** | **1** |

This regression analysis calculates the relationship between County Population, Unemployment Rate, DSS Staff levels and the number of Family Assistance cases in eight comparable NYS Counties.

The result is a model which predicts the number of Family Assistance cases each county "should" have based upon the variables utilized. The difference between the Actual caseload level of each county and the caseload Predicted by the regression analysis results from other, unknown, variables not included in the model.

The regression analysis model predicts that Monroe County "should" have 3,518 Family Assistance cases instead of the 6,341 Actual cases.

Data available for this analysis was July 2001 Population Estimate, April 2002 Unemployment Rate and May 2002 Caseload data. All caseload data was supplied by MC DSS.

# Finance Assessment

## MC DSS Regression Analysis: Temporary Assistance Caseload May 31, 2002

| County | Population | Unemployment Rate | TA Staff | TA Cases Actual | TA Cases Predicted | Variance # Cases | Variance % | TA Cases per Staff | Rank: Hi to Lo |
|---|---|---|---|---|---|---|---|---|---|
| Albany | 294,007 | 2.9 | 143 | 3,431 | 1,796 | 1,635 | 91% | **24.0** | **3** |
| Erie | 944,408 | 5.5 | 453 | 12,372 | 9,653 | 2,719 | 28% | **27.3** | **2** |
| Nassau | 1,334,648 | 3.7 | 188 | 3,927 | 3,428 | 499 | 15% | **20.9** | **4** |
| Niagara | 218,509 | 6.9 | 153 | 2,222 | 2,289 | (67) | -3% | **14.5** | **8** |
| Oneida | 233,659 | 4.9 | 259 | 1,916 | 4,664 | (2,748) | -59% | **7.4** | **9** |
| Onondaga | 457,866 | 4.8 | 268 | 5,349 | 4,979 | 370 | 7% | **20.0** | **5** |
| Suffolk | 1,438,973 | 3.9 | 385 | 6,223 | 8,164 | (1,941) | -24% | **16.2** | **7** |
| Westchester | 928,888 | 3.9 | 405 | 7,924 | 8,391 | (467) | -6% | **19.6** | **6** |
| **Monroe** | **733,607** | **5.4** | **317** | **12,133** | **6,319** | **5,814** | **92%** | **38.3** | **1** |

This regression analysis calculates the relationship between County Population, Unemployment Rate, DSS Staff levels and the number of Temporary Assistance cases in eight comparable NYS Counties.

The result is a model which predicts the number of Temporary Assistance cases each county "should" have based upon the variables utilized. The difference between the Actual caseload level of each county and the caseload Predicted by the regression analysis results from other, unknown, variables not included in the model.

The regression analysis model predicts that Monroe County "should" have 6,319 cases instead of the 12,133 Actual cases.

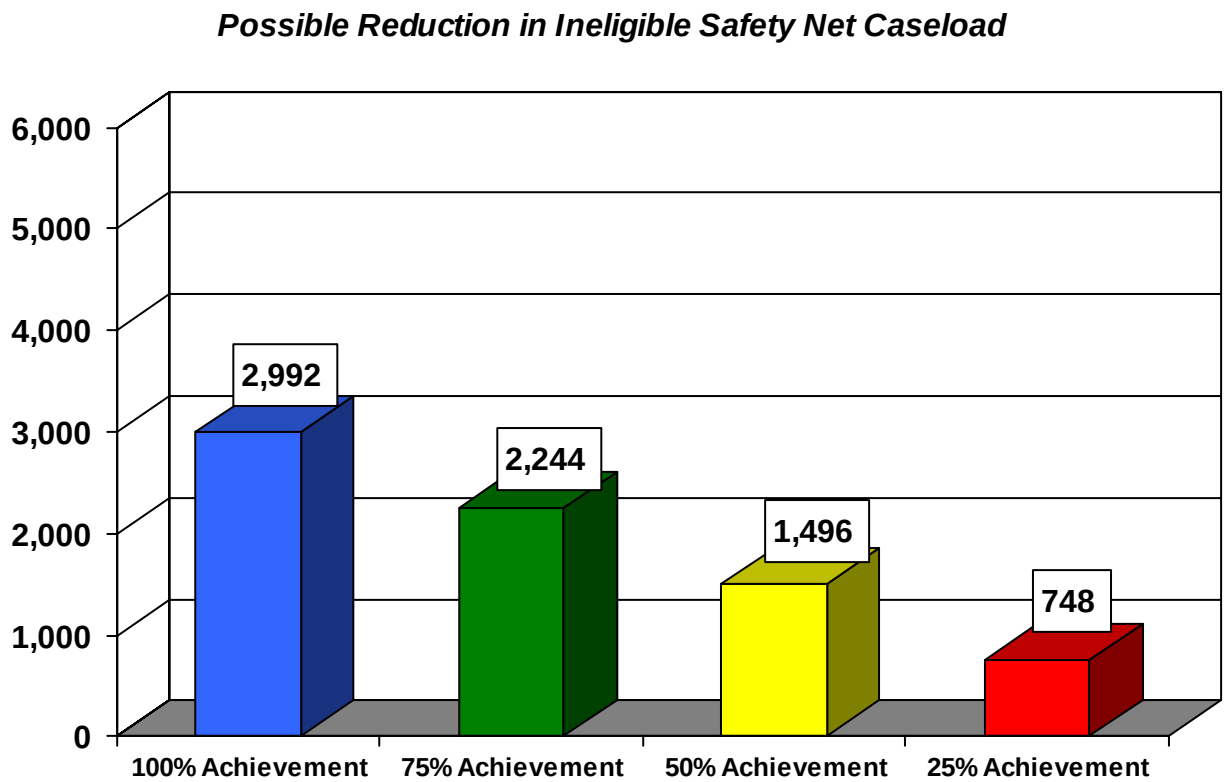
Data available for this analysis was July 2001 Population Estimate, April 2002 Unemployment Rate and May 2002 Caseload data. All caseload data was supplied by MC DSS.

# Finance Assessment

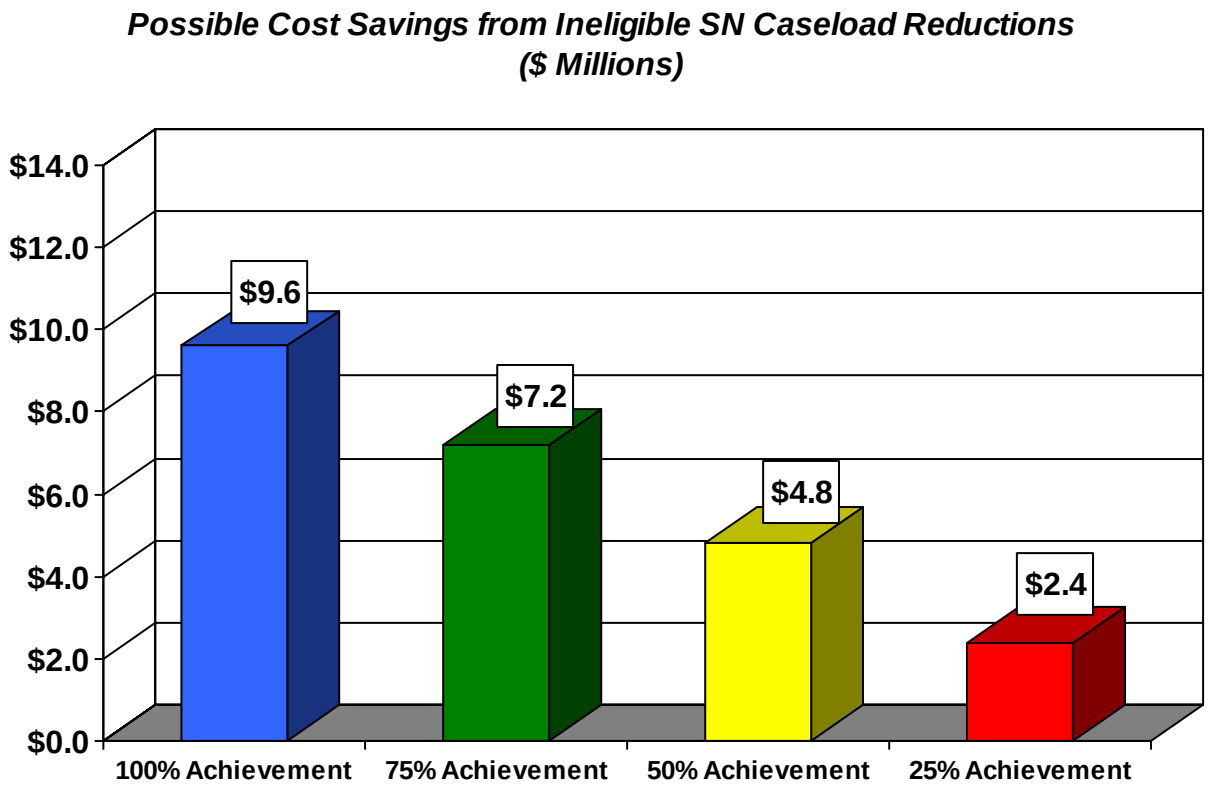
## "What If?" Analysis: Estimated Cost Savings from DSS Caseload Reduction

| Reduction Achieved Program | Current Caseload | Achieved Caseload | Caseload Reduction | County Program Cost/Case/Year | County Savings per Year |
|---|---|---|---|---|---|
| **100% Achievement:** | | | | | |
| Safety Net | 5,792 | 2,800 | 2,992 | $3,217 | $9,625,264 |
| Family Assistance | 6,341 | 3,518 | 2,823 | $1,862 | $5,256,426 |
| **Total Temporary Assistance** | **12,133** | **6,318** | **5,815** | | **$14,881,690** |
| **75% Achievement:** | | | | | |
| Safety Net | 5,792 | 3,548 | 2,244 | $3,217 | $7,218,948 |
| Family Assistance | 6,341 | 4,224 | 2,117 | $1,862 | $3,941,854 |
| **Total Temporary Assistance** | **12,133** | **7,772** | **4,361** | | **$11,160,802** |
| **50% Achievement:** | | | | | |
| Safety Net | 5,792 | 4,296 | 1,496 | $3,217 | $4,812,632 |
| Family Assistance | 6,341 | 4,930 | 1,411 | $1,862 | $2,627,282 |
| **Total Temporary Assistance** | **12,133** | **9,226** | **2,907** | | **$7,439,914** |
| **25% Achievement:** | | | | | |
| Safety Net | 5,792 | 5,044 | 748 | $3,217 | $2,406,316 |
| Family Assistance | 6,341 | 5,635 | 706 | $1,862 | $1,314,572 |
| **Total Temporary Assistance** | **12,133** | **10,679** | **1,454** | | **$3,720,888** |

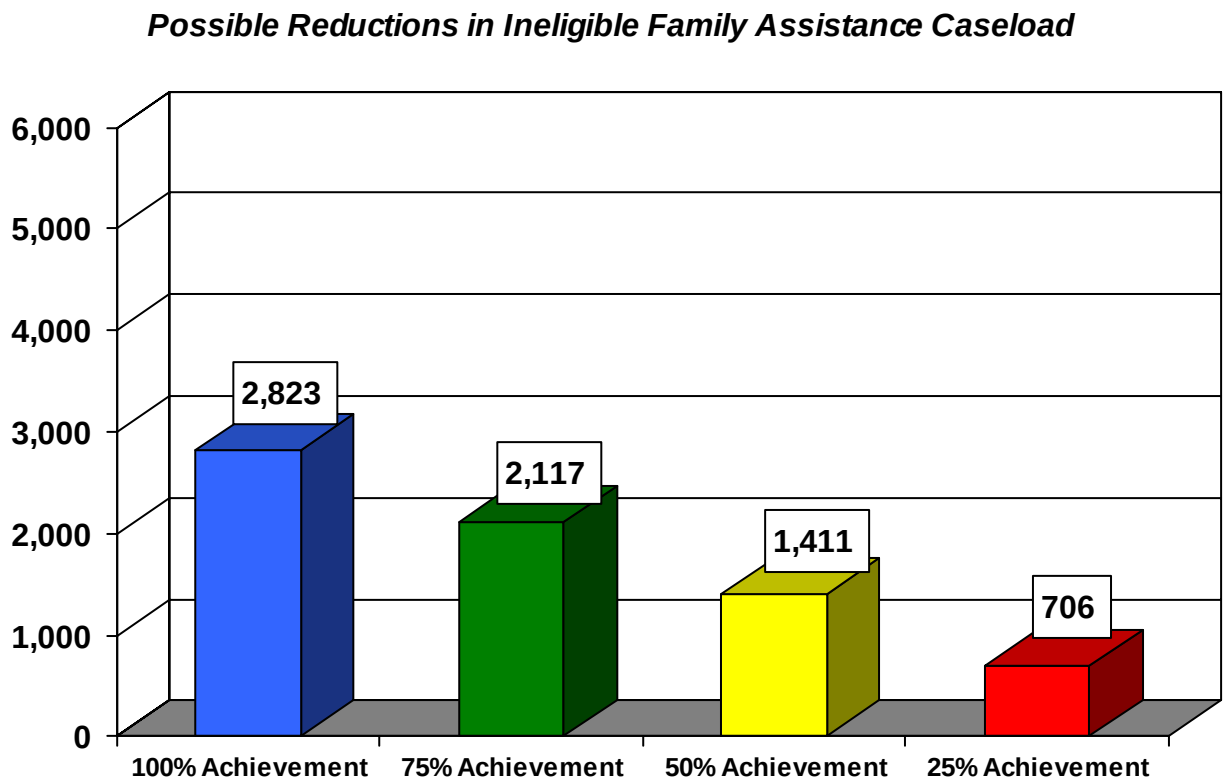
# Finance Assessment



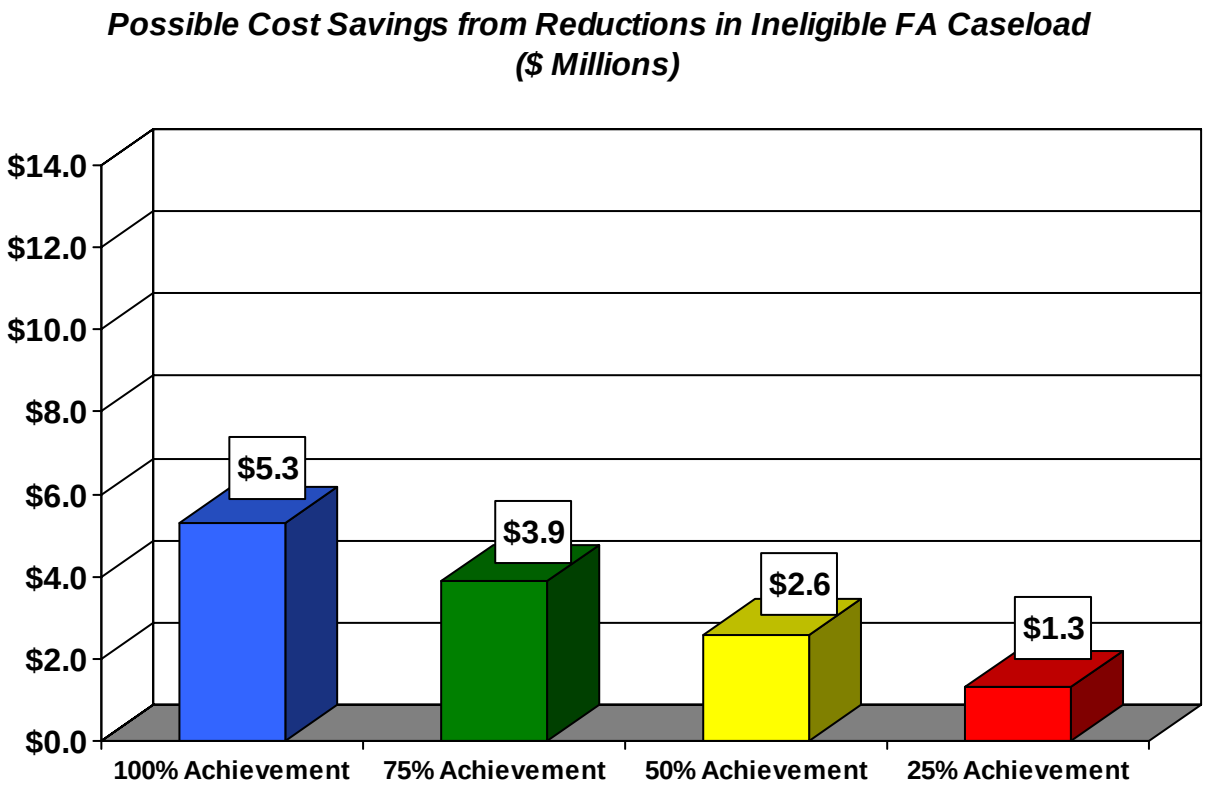
# Finance Assessment



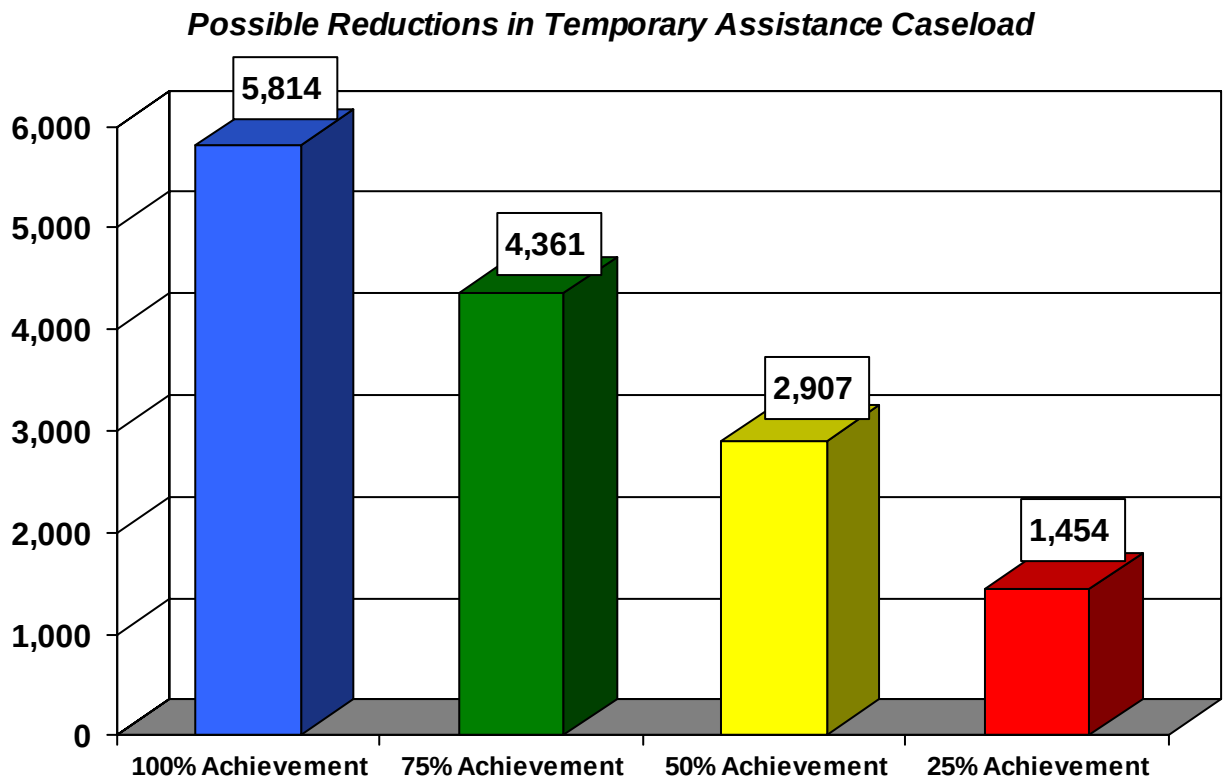
# Finance Assessment



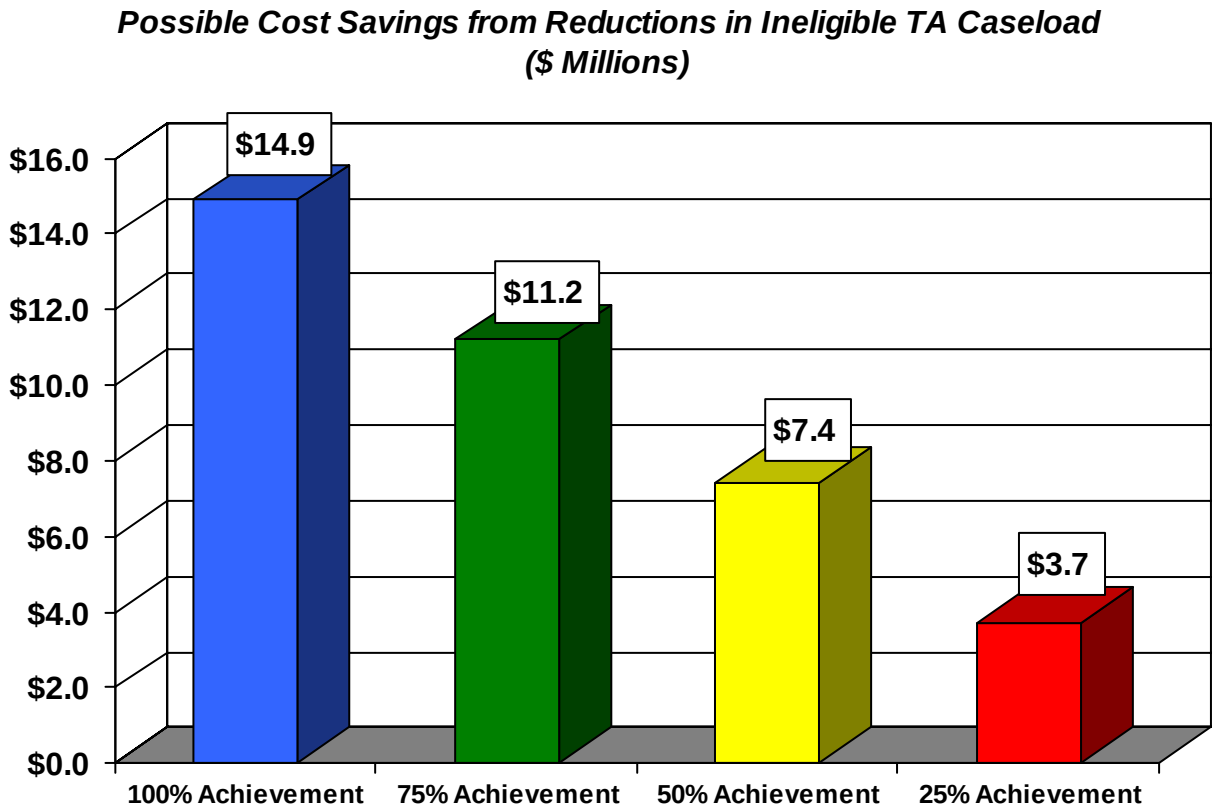
# Finance Assessment



# Finance Assessment



# Finance Assessment



# Finance Assessment

## MC DSS Estimated Program Cost per Case Compared to Benchmarked Counties

| Program | County | Caseload 05/31/02 | Revenue 2002 | Expense 2002 | Net County Support 2002 | Cost/Case/Month | |
|---|---|---|---|---|---|---|---|
| | | | | | | Total | County |
| **Family Assistance** | Monroe | 6,341 | $45,356,484 | $58,574,400 | $13,217,916 | $770 | $174 |
| | Albany | 2,052 | $15,780,037 | $19,826,349 | $4,046,312 | $805 | $164 |
| | Erie | 6,597 | | | | | |
| | Onondaga* | 3,422 | $14,697,360 | $19,596,480 | $4,899,120 | $477 | $119 |
| | Westchester* | 4,141 | $44,002,500 | $58,670,000 | $14,667,500 | $1,181 | $295 |
| | Suffolk | 3,498 | | | | | |
| | Nassau | 2,365 | | | | | |
| | Niagara | 1,306 | $10,485,000 | $12,000,000 | $1,515,000 | $766 | $97 |
| *Assumed County Share: 25% | Oneida | 1,254 | | | | | |
| **Safety Net** | Monroe | 5,792 | $16,890,050 | $31,365,600 | $14,475,550 | $451 | $208 |
| | Albany | 1,379 | $4,407,600 | $7,345,195 | $2,937,595 | $444 | $178 |
| | Erie | 5,775 | | | | | |
| | Onondaga** | 1,927 | $5,489,940 | $10,979,880 | $5,489,940 | $475 | $237 |
| | Westchester** | 3,783 | $25,976,500 | $51,953,000 | $25,976,500 | $1,144 | $572 |
| | Suffolk | 2,725 | | | | | |
| | Nassau | 1,562 | | | | | |
| | Niagara | 916 | $2,973,000 | $5,300,000 | $2,327,000 | $482 | $212 |
| **Assumed County Share is 50% | Oneida | 662 | | | | | |

# Current State Assessments: HD

# Scope of Assessment

- The focus of our efforts included these divisions of HD:
  - Operations/Finance
  - Maternal and Child Health
    - Early Intervention
    - Education for Children with Disabilities
    - School Health
    - CFHS
    - WIC
    - Facilitated Enrollment
- These divisions account for > 60% of the HD annual budget
- Our assessment methodology included:
  - Data gathering via internal and external sources
  - Extensive contractor/vendor and internal interviews
  - Senior staff operational surveys

# Business Process Assessment

## Summary

Our initial assessment of business process at Heath Department indicates that significant opportunities for improvement exist in the execution of key processes.  Currently, the Maternal and Child Health Division is structured by program (EI , ECD…) while many key processes flow across programs, often using the same systems and process steps.

Funding streams are generally structured along program lines, which has resulted in a program-oriented organizational structure. When first implemented, this structure worked as processing methods and volumes were manageable. However, over the years, the environment has changed, dramatic shifts in technology have occurred, and processes have become more complex.  At HD, as is typical in most organizations, changes have been driven by and implemented by each individual program administrator and the employees within their span of control.

Since administrators typically had little knowledge of work in other areas, changes tended to be confined to their own area.  As a result processes have become, over time, more and more disjointed and artificial walls have been created between groups. These “walls” have been heightened by the fact that most work is manual and paper-based, and many groups physically occupy several different locations around the city.

# Business Process Assessment

## Summary (cont'd)

Little has been done to minimize the amount of manual paper handling required. About 40% of staff time is focused on clerical tasks.

The net effect is three-fold:

1) Inefficient allocation of staff resources throughout the department
2) Increased cycle times and error rates
3) Significantly higher cost of operations

In many areas, staff members are so overloaded with paperwork that they have little time to focus on value-added activities.

Costs associated with this kind of error are difficult to measure as little data is tracked on the number of errors made or on the impact of errors.

The following pages provide a summary of the process issues facing the Maternal and Child Health Division and their impacts. We attempted to focus on key issues, therefore the following pages are not all-inclusive. Additionally, it is very difficult to talk about process without talking about systems as they go hand-in-hand. While we discuss some high level Information Technology issues in this section, detail information can be found in the IT/IS Assessment section of this assessment.

# Business Process Assessment

## Process Schematic Introduction

Every organization, be it a corporation, government entity, or non-profit operation is comprised of a set of processes. Some of these processes are critical to the running of the business, and these critical processes are the essence, or "Core" of the business. These Core processes typically include things like "Marketing and Selling", "Manufacturing" and "Distribution". Xerox and Eastman Kodak, for instance, would consider these three processes part of their core business.

In addition to the Core processes, there are a group of other processes that, while not critical, provide support to the business. These "Support" processes can be either Operational in nature, such as Procurement or Human Resources, or Administrative, such as Finance and Accounting and Information Technology Support. If we think about Xerox and Kodak, they are not in the business of buying items or matching people with jobs, but without these two functions the operations would stall. Likewise, neither company is in the business of providing IT support to employees, but they do need to have employees' computers serviced.

In order to make some sense of all these processes and organize how these processes fit together within Monroe County's DSS and HD, Altreya has utilized a Process Schematic that pictorially reflects Core and Support processes.

The schematic's basic message is that significantly more time, effort and energy should be expended on Core processes. Within MC, that would mean a focus on Intake, Care Management and Transition.

Likewise, less effort should be expended on Support processes as these often eat up valuable time and costs that could be and should be spent on Core processes.

## Process Schematic Introduction (Cont.)

During our operational assessment, we found that great deal of time and effort is spent locating case files, managing and processing paperwork and correcting errors. Further, much time is spent processing financial transactions and reporting.

We use the Process Schematic to identify and classify the main processes and to help us focus our improvement efforts in the right areas.

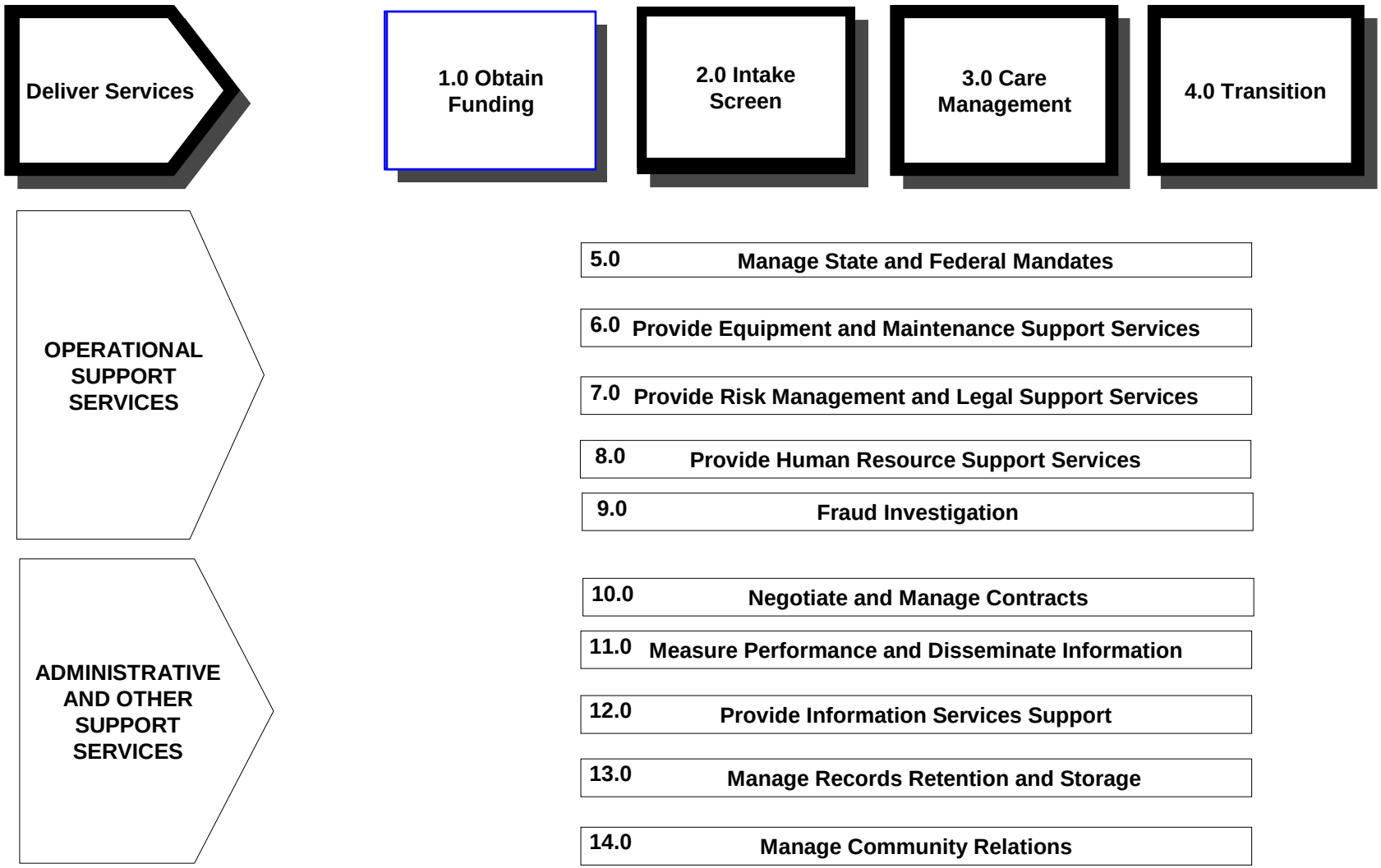
The second page of the schematic depicts the main “Sub-Processes” or key activities associated with each of the Core processes. The highlighted activities indicate that our operational assessment identified those tasks as priority areas to be targeted by an improvement effort.

The subsequent three pages of High Level Process Flow are a current state pictorial view, or Process Map, of each of the Core processes. These show how each of process is structured and, as improvement efforts begin, provide a framework for the addition of detail to each Sub-Process. The objective is to lay the foundation of the County’s process structure by providing a starting reference point for change.

The focus, as designing changes are initiated, should be to *document* in sufficient detail how processes work today, to *identify* the key changes needed in current processes and how they impact or change how work is completed, and then *show* how new processes will work after the changes are made.

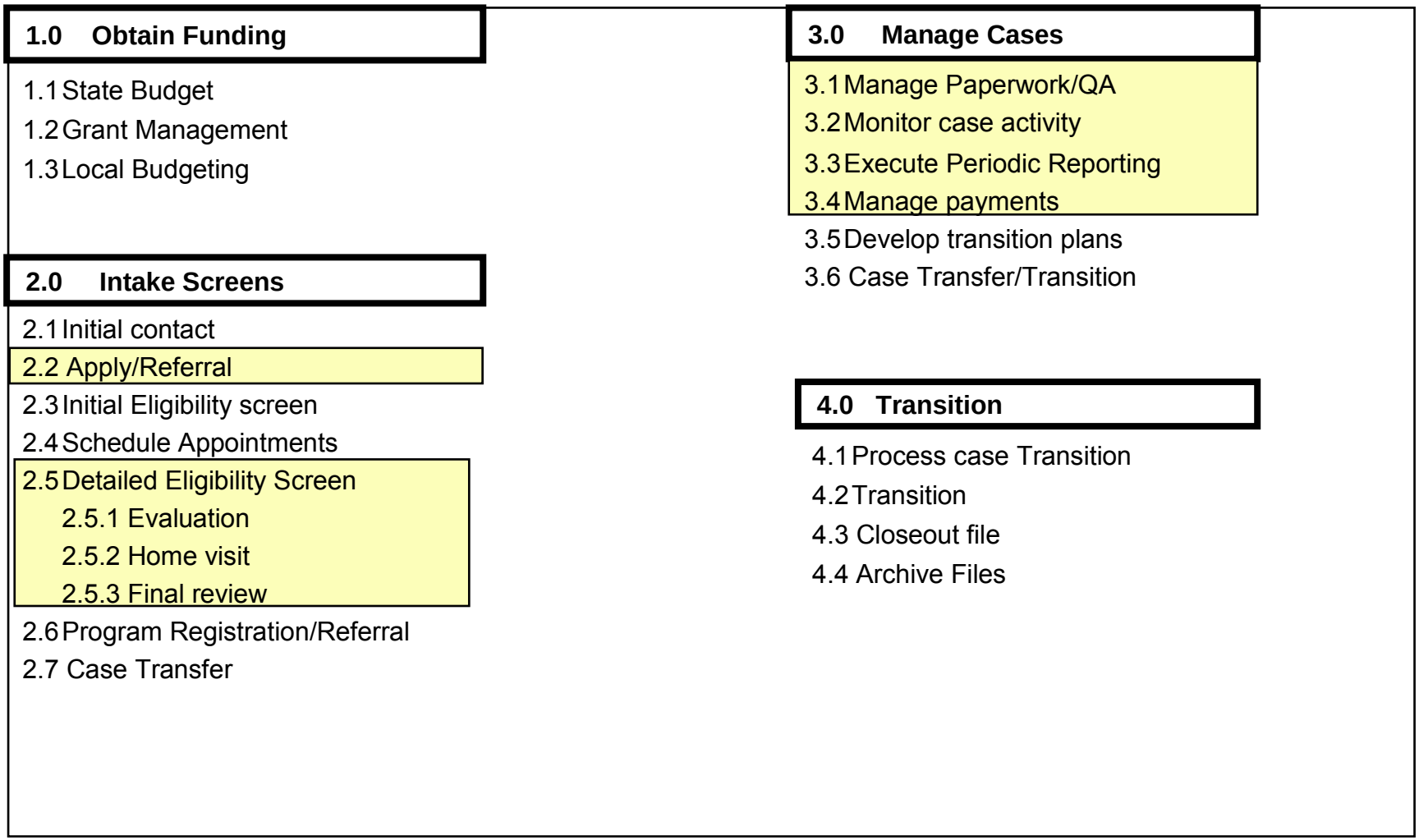
# Business Process Assessment

## Process Schematic



# Business Process Assessment

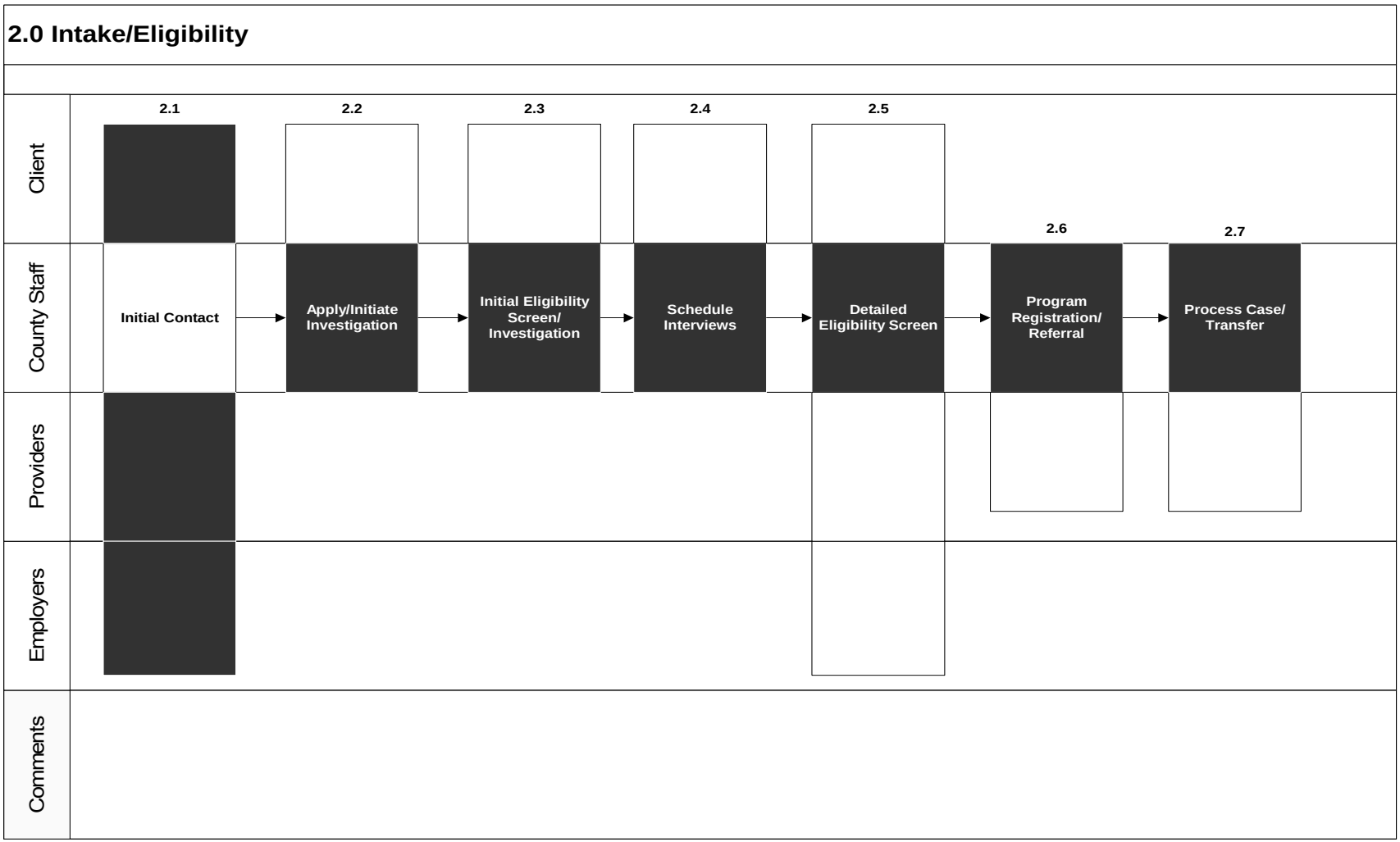
## Process Schematic – Key Activities




***Process Opportunity Area***

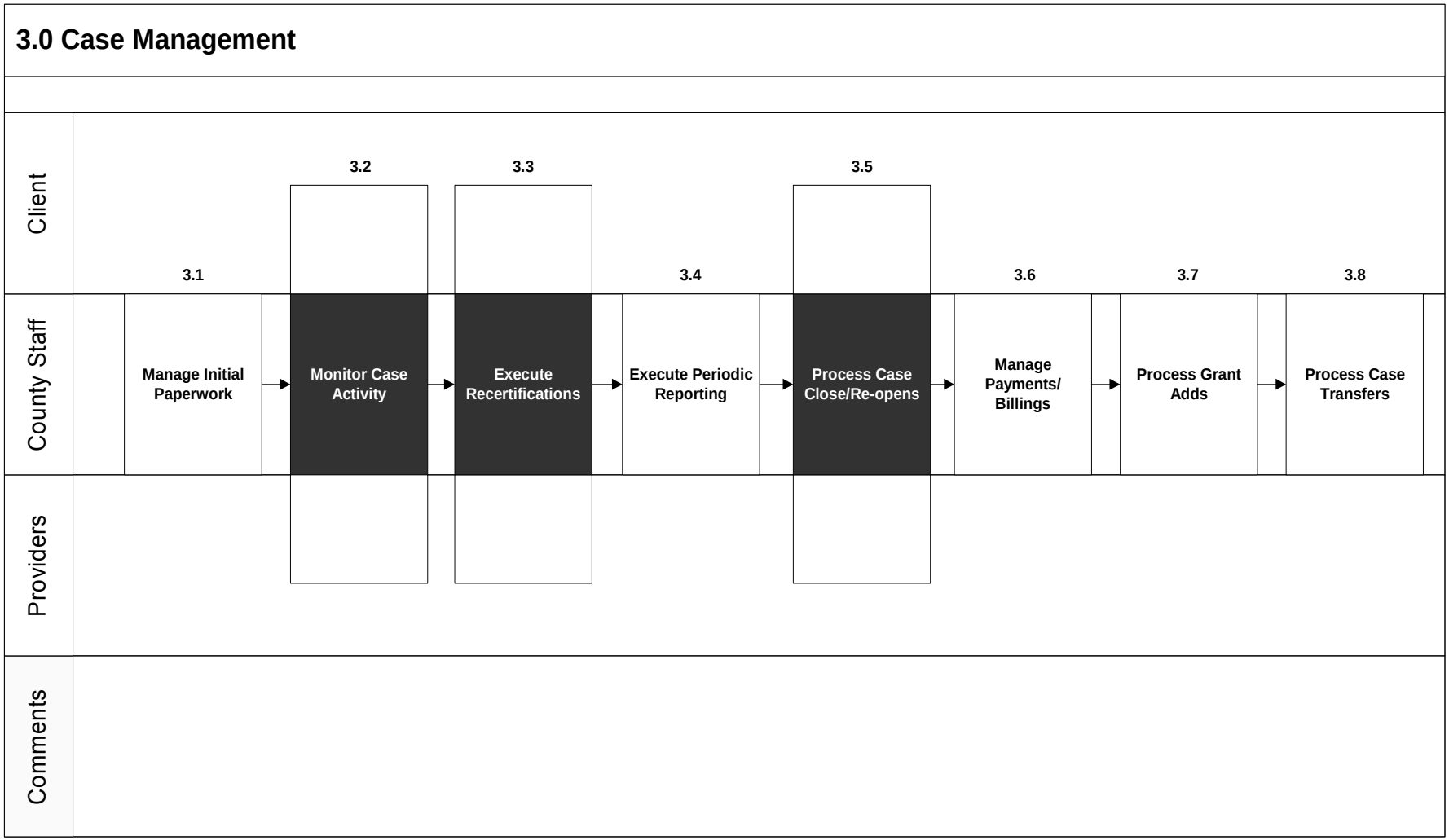
# Business Process Assessment

## High Level Process Flow: Intake



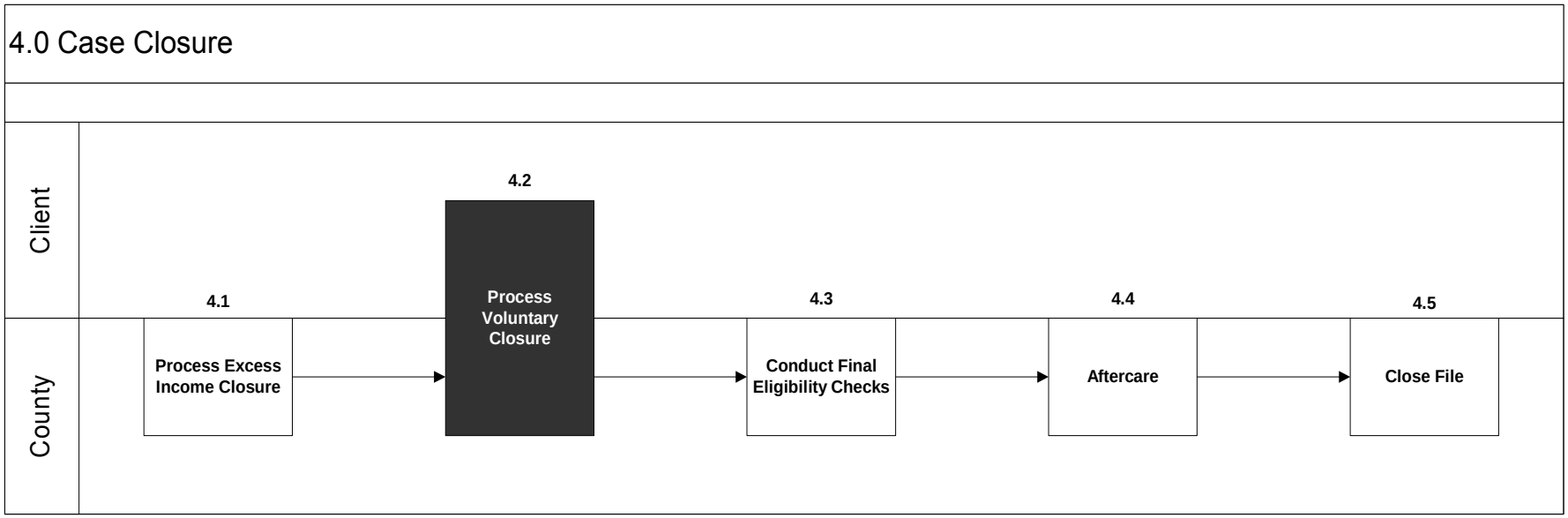
# Business Process Assessment

## High Level Process Flow: Care Management



# Business Process Assessment

## High Level Process Flow: Case Transition



## Causal Loop Diagram Introduction

The Causal Loop Diagram was derived from issues uncovered during the assessment phase of our work. During this phase, we held over 100 interviews where we discussed the many issues facing the County.

As in most organizations, many issues which result in the current state are interconnected. Attacking any one issue may resolve that issue, but it will not resolve the others. Worse, the solution to one problem may create new problems, often in another part of the organization. It is therefore critically important to analyze all issues together to look for the root cause.

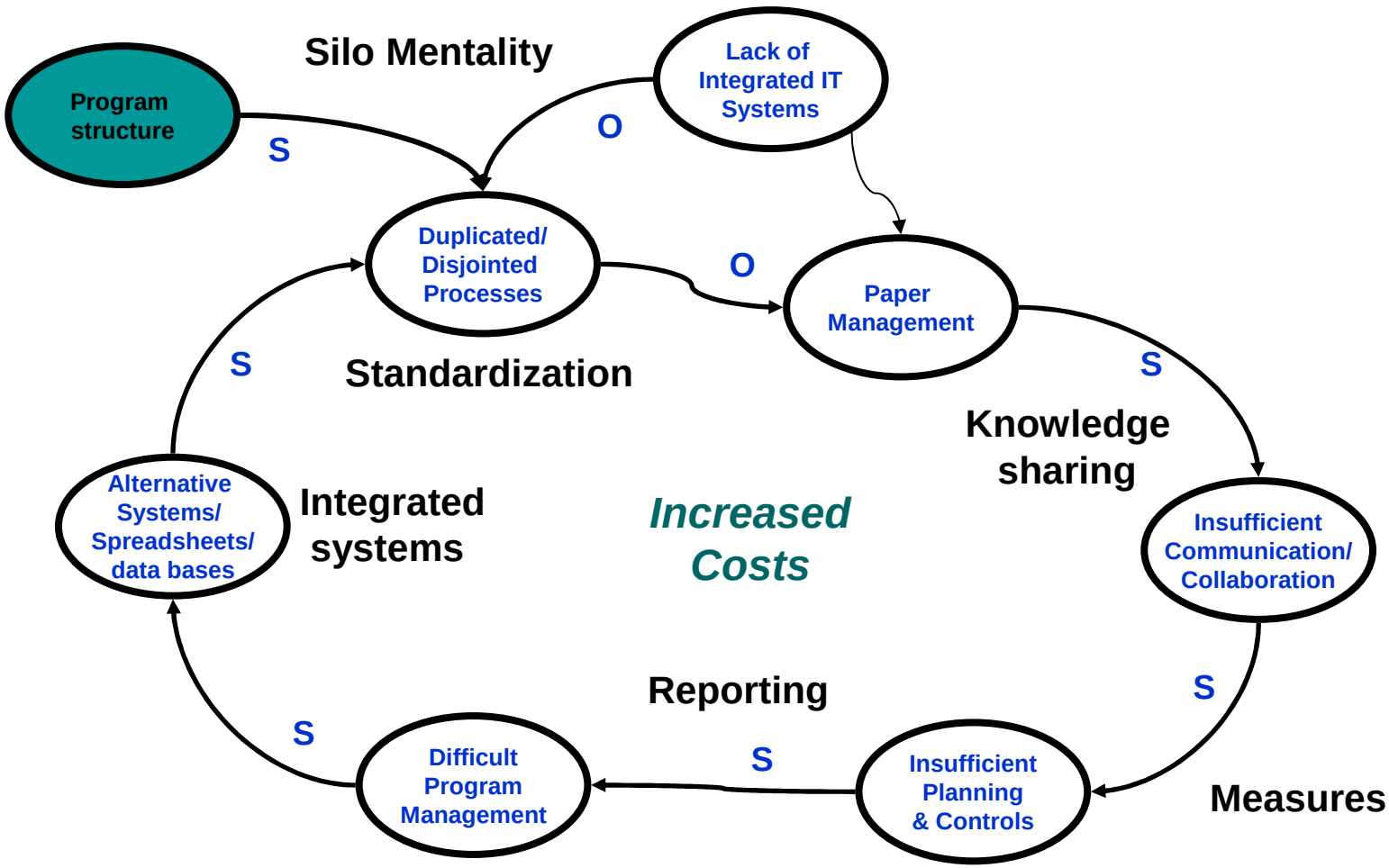
To do this effectively, we utilize a tool called a Causal Loop Diagram. This tool focuses on major issues to see how they are interconnected, and possibly identify a leading causal factor. This is significant because if we can uncover the root cause and then resolve it, we can achieve far greater savings and higher quality outputs than we would be able to achieve if we attempted to resolve the problems individually.

As shown in the Causal Loop Diagram, we have identified Program Structure as the root cause of all issues with current state discussed in this assessment. Funding driven Program Structure, and a Lack of Integrated IT Systems result in Duplicated/Disjointed Processes which drive sub-optimal Paper Management. Paper Management issues result in Insufficient Communication/Collaboration among groups, which supports Insufficient Planning and Controls, which leads to Difficult Program Management. Program managers create a set of Alternative Systems/Spreadsheets/data bases in an attempt to regain control, which, instead, ends up supporting Duplicated/Disjointed Processes and closing the causal loop. In other words, the causal loop is reinforcing.

This assessment will examine each element of the Causal Loop Diagram in detail.

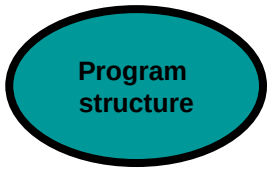
# Business Process Assessment

## Causal Loop Diagram



# Business Process Assessment

## Structure is driven by program, rather than process




- Process changes tend to occur within each program/function. Therefore, changes:
  - Tend to be ad hoc, with little thought to impact or opportunity in other areas
    - SPOE concept a good start, but execution still not seamless – transfer of cases still difficult and error prone; Ex.: EI staff members indicate that process is fraught with errors, and that they spend 30-40% of their time in referral process correcting errors
    - EI payment process outsourced to HEG, but others left out
  - Tend to be “Band Aids” that do not get at the “root cause”
    - New systems often create more work/effort for already overloaded staff
    - Designed for managing data, not work flows – i.e. Time Reporting system does not allow for remote input
  - Create a lack of standardization at both the high-level and the desk-level, increasing variation and potential for errors
    - Workers process things differently because “they are more comfortable doing it their own way”
    - Ex. EI paperwork processing
- Focal point of work flow structures is Division and team-based
  - Little knowledge sharing or understanding between areas or what happens at the next step
  - Frequent squabbles between supervisors, particularly in case transfer areas where some judgment is required
- Results in:
  - **Disjointed and duplicated processes across divisions and teams within divisions**
  - Fragmented IT systems that often make the work more complex and difficult
  - Lack of cooperation/collaboration between divisions
  - Higher operating costs

# Business Process Assessment

## Duplication: Sample listing of groups and tasks

Below is a sampling of groups within both DSS and HD and several common tasks that are performed. This duplication significantly increases the opportunity for error and increases the cycle time of the processes. A few points are worthy of note.

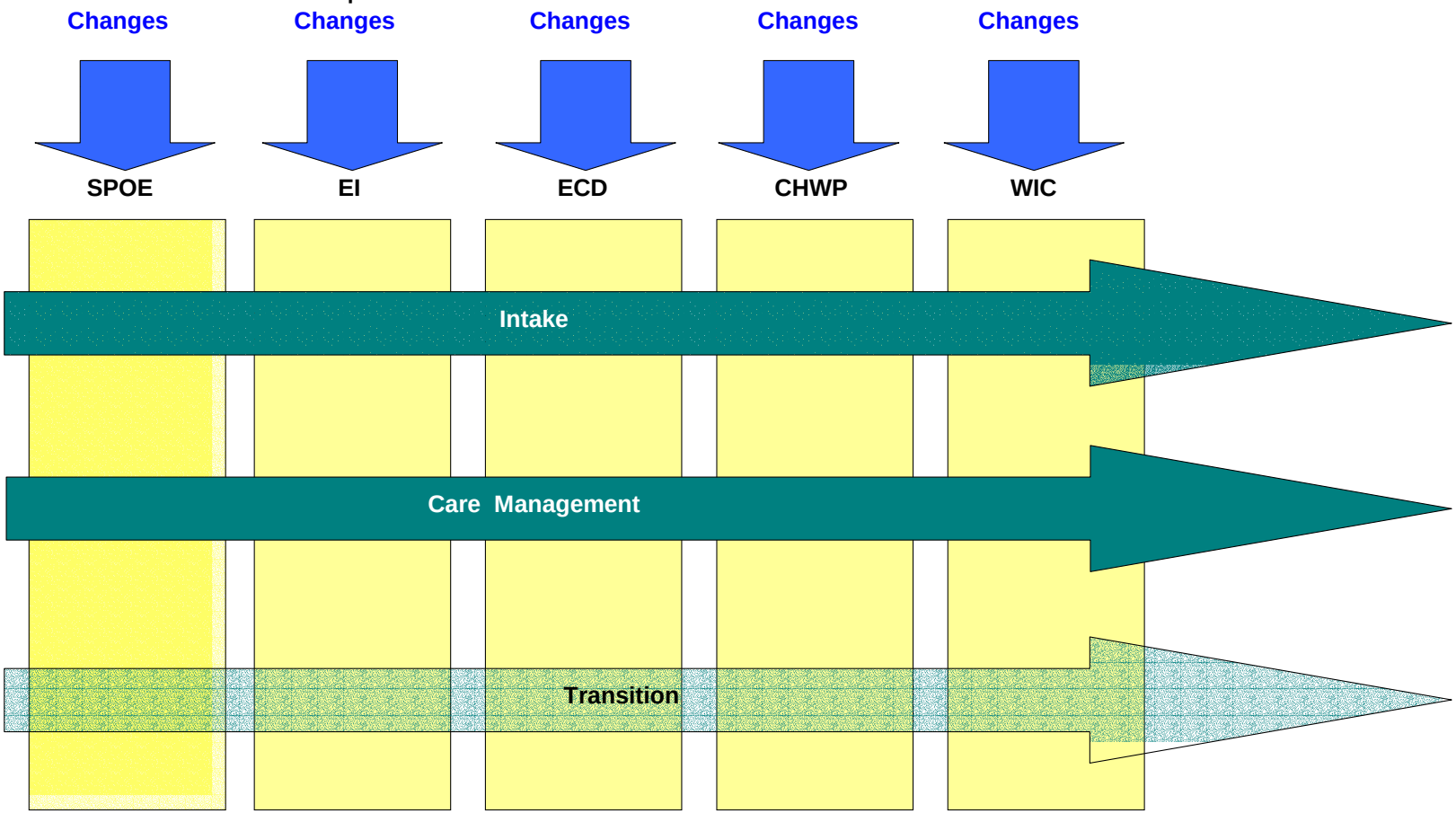
1. Every group does its own data entry. Research shows that this is least effective (most error-prone) and the highest cost method for completing data entry.
2. Daycare processing, a labor-intensive and often subjective process, is completed in 9 different areas within DSS. Staff spends significant time chasing issues related to day care.
3. Transferring of files is a common process for all groups. Through our interviews, this manual process was found to be the subject of debates regarding which group should own the case, missing information or forms, as well as the misplacement of the actual file.

| Group | Eligibility | Recert | Adds/ Changes | Data Entry | Daycare Processing | Monitor | Transfers |
|---|---|---|---|---|---|---|---|
| TANF Intake | X | | X | X | X | | X |
| Emergency | X | | | X | X | | X |
| Medicaid | X | X | X | X | | X | |
| TANF Rehab | | X | X | X | X | X | X |
| Employables | | X | X | X | X | X | X |
| Employment | | | X | X | X | X | |
| TOP | | X | X | X | X | X | X |
| Aftercare | | X | X | X | X | X | |
| CPS Invest | X | | | X | | | X |
| CPS Mgmt | | | X | X | X | X | X |
| Foster Care | X | | | X | X | X | X |
| WIC | X | | X | X | | X | X |
| EI | X | X | X | X | | X | X |
| ECD | | | X | X | | | |

# Business Process Assessment

## Structure: HD Program Driven Approach

The core processes of Eligibility Screening, Client/Care Management and Closings are executed differently by each program because changes (such as new eligibility requirements) are made at the program level and not at the process level.



# Business Process Assessment

## Current IT systems lack integration and sophistication to support operations

**Lack of Integrated IT Systems**

- Systems are fragmented, with multiple systems serving the similar process (*For further detail on IT Systems, please refer to the IT/IS Assessment section*)
  - Creates multiple data-entry points and re-keying of data, increasing opportunity for errors (Ex. EI re-keys payment data for use at HEG)
  - Often difficult to extract information and reports from the systems, creating large number of hard-copy backup documentation (ECD workers swamped with paper)
  - Differing platforms with different user interfaces add to complexity
- Systems not user-friendly
  - Often slow with cumbersome inputs
  - Key information difficult to find, or not contained in the system
  - staff members that spend significant amounts of time out of the office have no way to input data remotely
- Systems often designed for management, rather than workflow
  - New systems frequently create additional work for frontline staff
  - Systems not designed for future work and workload and quickly become obsolete
- Results in:
  - ***Disjointed processes within and across divisions***
  - Higher cost of operations
    - Multiple input of duplicate data (Name, address, case number…)
    - Increased error rate
    - More staff required to complete the work
    - Case workers and service coordinators spend large amount of time on data input and paper management
  - Suspect accuracy of system data, increasing the number and frequency of quality checks and verifications
  - Excessive paperwork – forms, file management, etc.

# Business Process Assessment

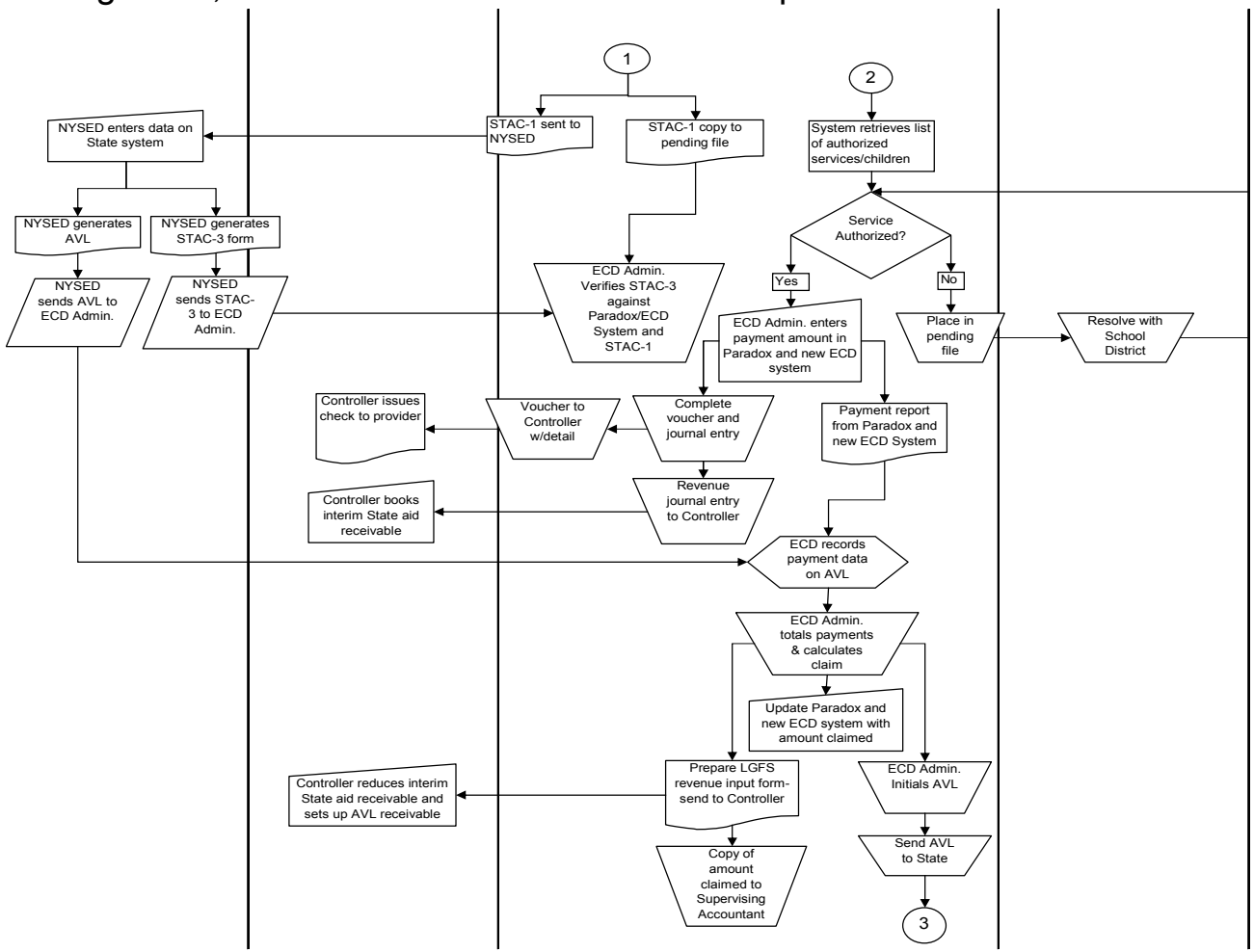
## Processes are disjointed and duplicated across programs and departments


- Have made significant strides in attempting to gain more control
  - SPOE: a work in progress, but a good start
  - Central Registry
  - Time reporting
- However, groups are allowed to opt out of some reengineered processes
  - Contract Management (*refer to contracts section for further discussion of contract issues*)
  - Immunizations
- Little integration exists across the HD
  - Teams operate independently, increasing variation and system fragmentation
  - Workflow organization overridden in system enhancements by data management
    - EI staff members are often out with clients and have no way to input data remotely
  - Little emphasis and incentive to share knowledge and information across groups
- Program transition/tracking difficult
  - EI information in separate system from ECD, however, many kids move from EI to ECD
  - Difficult to determine what is “right level of care”
  - People rewarded by moving cases off their desk; paperwork is merely shifted to another group
- Work is inefficiently allocated
  - Many programs have higher grade staff completing lower grade work
  - Org charts driven by staff grade levels, not by work flow/task
  - Large amount of clerical work completed by social workers/service coordinators
- Results in higher costs of operations
  - Excess staff costs
  - Time spent managing paper, leaving little staff time to focus on bigger issues (overpays, etc.)
  - Slower collection times
  - **Excess paper management costs**

# Business Process Assessment

## Disjointed Process – an example

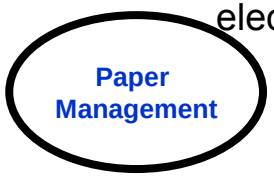
In this example from ECD, the process zig-zags through the group in order to process a reimbursement. Additionally, the process is highly manual, with labor intensive reconciliations. The net effect, aside from lengthy processing times, is that ECD staff has little time to spend on more value-added tasks.



# Business Process Assessment

## Paper-based, manual processes with multiple data entry points

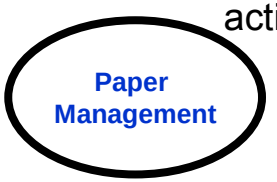
- Processes are driven by the hardcopy case file, with less than 50% of needed information available electronically
  - Critical information is often available in hard copy form only
  - Information that is input into a system is often re-keyed into at least one other system
  - Focal point becomes the case file, rather than the case




- Large number of forms required to complete work tasks
  - Most processes require several forms that often require multiple signatures
  - Forms are mostly available hardcopy – when form is changed, it takes weeks to obtain new version, and old version is thrown out
  - Hard copy forms faxed and mailed back and forth between groups at different sites – Ex. EI staff members fax info back and forth between the Ongoing Service Coordinator
  - Frontline staff spends estimated 35-45% of time on clerical work
- Paper-based process is prone to errors, increased cycle times and therefore higher operating costs
  - Almost every staff person completes data entry for his/her own work, an inefficient and error prone method of data entry
  - Facilitated Enrollment makes frequent errors on applications that are caught and corrected by DSS staff
  - Often have difficultly locating critical information
  - ECD staff spend two weeks per month conducting manual reconciliations for reimbursements
  - EI staff frequently delay input of key data as they are often out of the office meeting with clients and have no means of data entry away from the office

# Business Process Assessment

## Paper-based, manual processes with multiple data entry points

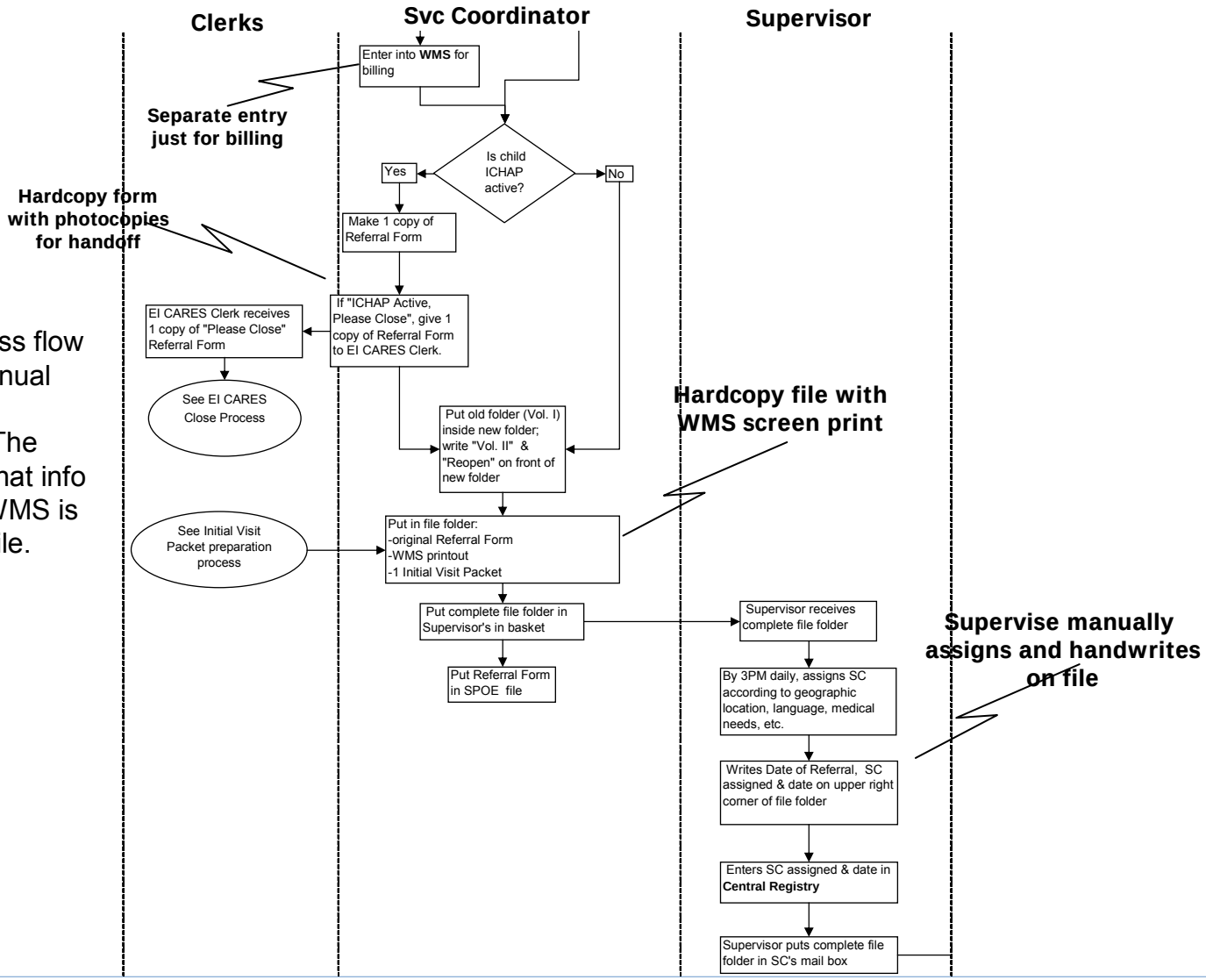



- Time spent locating files and other clerical activities distracts staff from focusing on key activities
  - Large amounts of money goes uncollected in overpays
  - Process to research and collect overpays is labor-intensive and time consuming – requires a manual check of each document in every case file
  - ECD staff has little time to attend critical CPSE meetings which could improve cost controls
- Results in:
  - Increased cost due to: wasted staff time and effort; failure to identify and collect overpayments and inappropriate case openings
  - Increased workload as staff struggles to process work in a timely manner
  - Increased risk of violating key regulations and legal commitments (Winston vs. Schauseil)
  - ***Insufficient communication/collaboration with other areas***

# Business Process Assessment

## Manual Processing – Early Intervention

This excerpt from the EI process flow indicates a large number of manual processing by clerks, service coordinators and supervisors. The process is so driven by paper that info that was manually keyed into WMS is printed and put into the paper file.



# Business Process Assessment

## Insufficient communication and collaboration between groups and divisions


- Organization of work flows makes it difficult to communicate effectively
  - Organization structure not conducive to sharing information and teamwork
  - Current workloads leave no time for communication improvements
  - Information often is only available in hard copy format, making seamless sharing of info difficult
- Lack of available tools to facilitate communication and collaboration
  - Staff members that operate out of the office have to come back to the office to input data – lack of remote tools
  - Paper-based processes create paper-based communication – heavy reliance on fax and traditional mail
  - Lack of integrated systems prevents utilizing electronic notifications, system red flags, etc
- Insufficient formal means to share information and knowledge
  - Little emphasis on sharing information
  - Errors are often caught after they are a problem
  - Significant amount of knowledge resides solely in people's heads
    - Significant reliance on past experiences, leaving departments at risk to turnover
  - Errors are repeated
    - Few groups explain errors made by other groups, instead simply fix error every time they occur
    - Little time/budget available for training and documenting
- Impacts
  - Increased cost of processing due to high error rates
  - Creative solutions end up only helping one area or group, diminishing potential benefits
  - **Difficult to properly plan and control the operations**
    - Difficult to predict work loads
    - Uninformed decision-making

# Business Process Assessment

## Insufficient planning and controls


- Staff is frequently in a reactive mode
  - "We can never predict our volumes"
  - Disjointed, paper-based processes make reporting and tracking difficult
  - Focus too much on caseload, not enough on process information to focus efforts
    - All employees can quote their caseload, but know little about how the processes operate or where time is spent
      - Little tracking of key measures such as error rates, cycle-times, costs, etc.
      - Lack of upfront error reports to notify staff of pending issues requiring resolution
      - Clients and providers often call AFTER a negative event has occurred
- Staff lacks proper tools and skills to assist with planning
  - No use of regression analyses, control charts or other statistical tools to predict volumes or track process variation
  - Little ability to leverage systems to measure and track key data
  - Process improvement efforts failed to set specific and measurable goals, making effectiveness assessments difficult
  - Lack of proper systems to easily extract needed information in a usable format
  - Priorities not based on detailed cost vs. benefit analysis and concrete facts
- Paper management issues leave little time for planning and control
  - Staff time focused on non-value added clerical work . Rough estimates based on interviews are:
    - Supervisors = 10-20%
    - Seniors = 25-30%
    - Staff = 35-50%
  - Basic reporting requirements take up staff time, diverting time away from the value-added analysis of reports
  - Difficult to validate that data is both complete and accurate
- Results in **difficult program management**

# Business Process Assessment

**Disjointed processes, excessive paperwork, insufficient communication and insufficient planning and control make effective program management difficult**

- Management must often act without the proper facts
  - Few cost-benefit analysis completed before executing changes
  - Cost-benefit analyses that are completed typically are not robust enough
    - Ex. ECD outsourcing Analysis omitted key overhead costs, over-estimated the vendors charges, and failed to take into account new system roll-out delays/overruns
  - Proper information extremely difficult to obtain given current structure, processes and systems

**Difficult Program Management**

- Solutions to key issues are often ad hoc and attack symptoms rather than root causes
  - Changes frequently made in a vacuum, without consideration to downstream impacts or potential benefits in other areas
  - Effect felt greatest in systems changes
  - Changes often create more work and do not solve the actual problems
- Little time or effort is spent *measuring* the impact of changes or evaluating the results
  - Health Dept has expended a considerable effort in reengineering, but few, if any measures exist to determine the programs actual success
  - Results that are measured are seldom translated into cost savings
- Default solution is “add staff”
  - With the focus solely on programs and compliance, insufficient thought or effort is spent looking for changes in *how* things are completed
  - Time and effort is expended re-keying data, correcting errors, chasing case files, however almost no data exists on error rates, cost to correct errors, financial impact of lost files, cycle times, etc. that would provide support for key investments in technology
- Impacts:
  - Changes that are made are less effective; issues rarely resolved on first attempt.
  - Results are often disappointing or unable to be quantified.
    - SPOE, HD Contract management, Central Registry.
  - ***In order to manage more effectively, alternative systems, side spreadsheets and various databases are created.***

# Business Process Assessment

**The factors raised in the previous pages result in alternative systems, spreadsheets and databases – all of which have emerged in an attempt to gain more control**

**Alternative Systems/ Spreadsheets/ data bases**

- Each area has attempted to make changes in their own span of control to improve management and processing
  - NOTE: Overall, the HD has done a commendable job looking at issues from a process perspective with SPOE and Central Registry System
  - ECD is currently implementing their own system to reduce manual processing
  - Process reengineering effort has been conducted on a program-by-program basis
- At the desk level, staff members create various tools and use a variety of software to try to improve how they manage their work
  - Tools tend to be developed personally and not shared
  - When person shifts positions, the tools tend to move with them
- However, changes made on such a decentralized level often have mixed results
  - ECD's implementation is behind schedule (only 2 of 6 modules implemented) – jury still out on effectiveness
  - Even SPOE has had mixed results; some staff members were critical of the quality of referrals from SPOE, Particularly EI
- In the end, the impact of these attempts is to further reduce standardization and **increase the duplication and disjointment of current processes**

# Business Process Assessment

## HD Root Cause Analysis

- System is reinforcing, therefore:
  - Management is primarily focused on Program, not process.
  - Solutions to issues continue to be *Program* based - ad hoc, fragmented changes.
  - Projects often created within dept or program with little contact with other depts. or programs.
  - Therefore, any changes inside the loop will have limited impact or will reoccur in a few years time.
- Root cause appears to be the strong program structure.
  - Deeply imbedded in people.
  - “Throw it over the wall…” mentality – staff members have little knowledge of what other groups do with their work;
  - “Us vs. them” between programs and between groups within programs - When errors are made, fingers are pointed at the people, rather than the process, and little is done to correct the process to eliminate repetitive errors.
- Result: changes won’t “stick” if program walls are not broken down.
  - Focus on process, not program (Intake, Care Management…).
  - Solutions need to be process-based, not program - or group based
  - Cross-function problem solving is essential.

# IT/IS Assessment

## Summary

As has been recognized at both the State and the Federal level, limitations on usage of existing funding streams to program specific applications is directly contrary to effective design and implementation of Information Technology and Information Systems (IT/IS) within government. Effective IT/IS architecture addresses organizational requirements holistically to achieve maximum efficiency in the delivery of supportive services to the organization and to achieve the flexibility required to support changing business process. By limiting funding streams to particular usage, the "mandate environment" in place makes certain strategic technology investments difficult.

Efforts are underway to address this issue at the Federal and State levels. Our assessment indicates that there are also significant opportunities for Monroe County to improve the delivery of IT/IS support services to the organization and to better support business processes as they evolve.

It is worth noting that many of the Health Department's programs naturally isolated. Therefore, it is appropriate that some of its computing systems are disparate. For example: KIDS, HIV Reporting and TB Jail Program have nothing in common. However, there are some programs that have much in common (e.g. ECD and KIDS) and there are many administrative tasks that are common throughout the Health Department. It is areas like these that opportunity exists to integrate, consolidate, or further leverage existing computer systems within the department.

## Summary (cont'd)

One of the first points that was made by County employees is that many of the IT systems are State mandated. Upon closer inspection, we have so far concluded that the actual number of mandated systems at HD is only five out of more than 50 applications. Of those five, only two are considered to be large systems (in scope and functionality). This presents significant opportunity to HD in the form of local control of its computing landscape.

Of all the Monroe County departments that we have seen so far, the Health Department seems be the most advanced in terms of recognizing the value of technology and attempting to capitalize on those opportunities. They have made conscious efforts to address process and have made creative efforts to acquire technology to support their operations.

Significant opportunities still exist. For example, EI workers have been given a new systems to store their client info in. However, those same workers must still bring pre-printed forms with them to client visits, and then manually enter that data entering into the computer system upon returning to the office. This frustrates the EI workers, who would rather be helping clients than processing paper *and* data entry. Preferably, those workers would be equipped with laptops so they could process the client once (electronically), thus eliminating the duplication in effort and as much paper as possible.

The following pages help to detail the current state of IT in Monroe County's Health Department and, in the process, the specific areas of opportunity that exist.

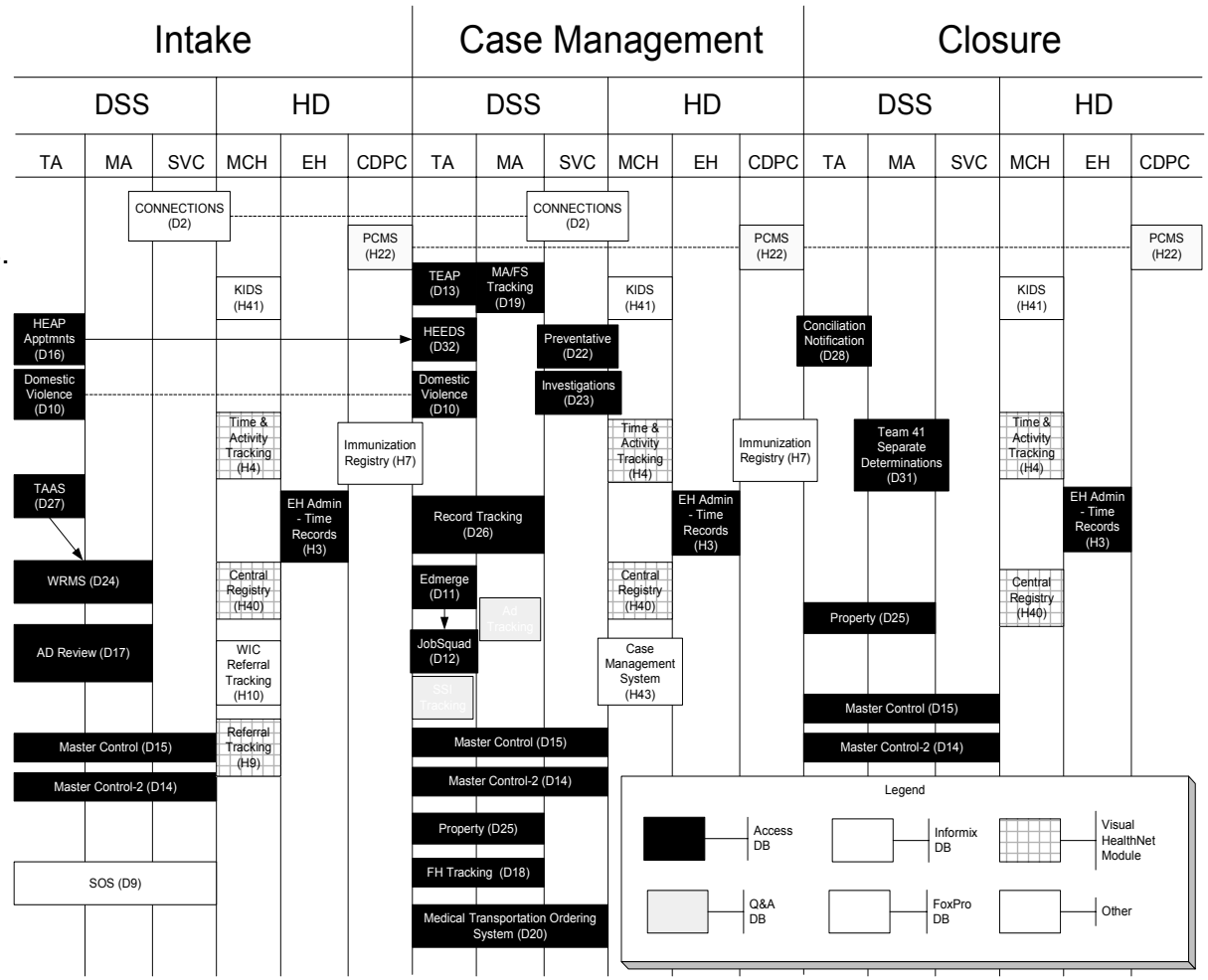
# IT/IS Assessment

## Program-Driven Process and IT Challenges Intertwined

***- Program Driven IT -***

Process execution by multiple divisions within multiple agencies.

- Redundancy.
  - Program based technology and application requirements.
- Lack of Automation.
  - Homegrown applications seldom interface with each other or with State systems.
- Diversity of Technology.
  - Application infrastructure chosen on a project basis by program.
- Disparate Systems.
  - Large application and technology inventory.



## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

### The Effect on Operations

- Computer application inventory (*Note - many perform same or similar functions*).

| | DSS | HD | DSS + HD |
|---|---|---|---|
| Separate Applications | 34+ | 45+ | 79+ |
| Additional/Notables Apps | 70 smaller (DOS) apps | Several, tiny (Access) apps | |
| Notable | WMS has several sub-programs | | |
| Total Applications | 125+ | 50+ | ≈200 |
| Mandated Applications | 2 | 5 | 7 |
| Factoid | Temporary Assistance has to learn and use 40 different applications | Environmental Health needs to learn and use 16 different applications | Additional functional overlap |

- *NOTE – See Appendix for complete Computer Application Inventory/Summary.*
- Same info ends up being data entered many times (*See Process Analysis for details*).
  - By same worker/team.
  - Across multiple teams.
  - Example: Early Intervention (EI)
    - Lack of remote access and/or client/server synching forces EI workers to still process paper forms.
    - Paper forms must then the data entered upon returning to the office.
- Estimated 50% redundancy in forms processing by employees.
  - Paper and electronic.
  - As reported by Early Intervention.
- End result
  - Redundancy of paper and electronic forms leads to high repetition.
  - High repetition leads to higher rate of errors.
  - High rate of errors leads to rework.
  - Rework leads to time-delays and slower closing of cases and more hours billed by employees.

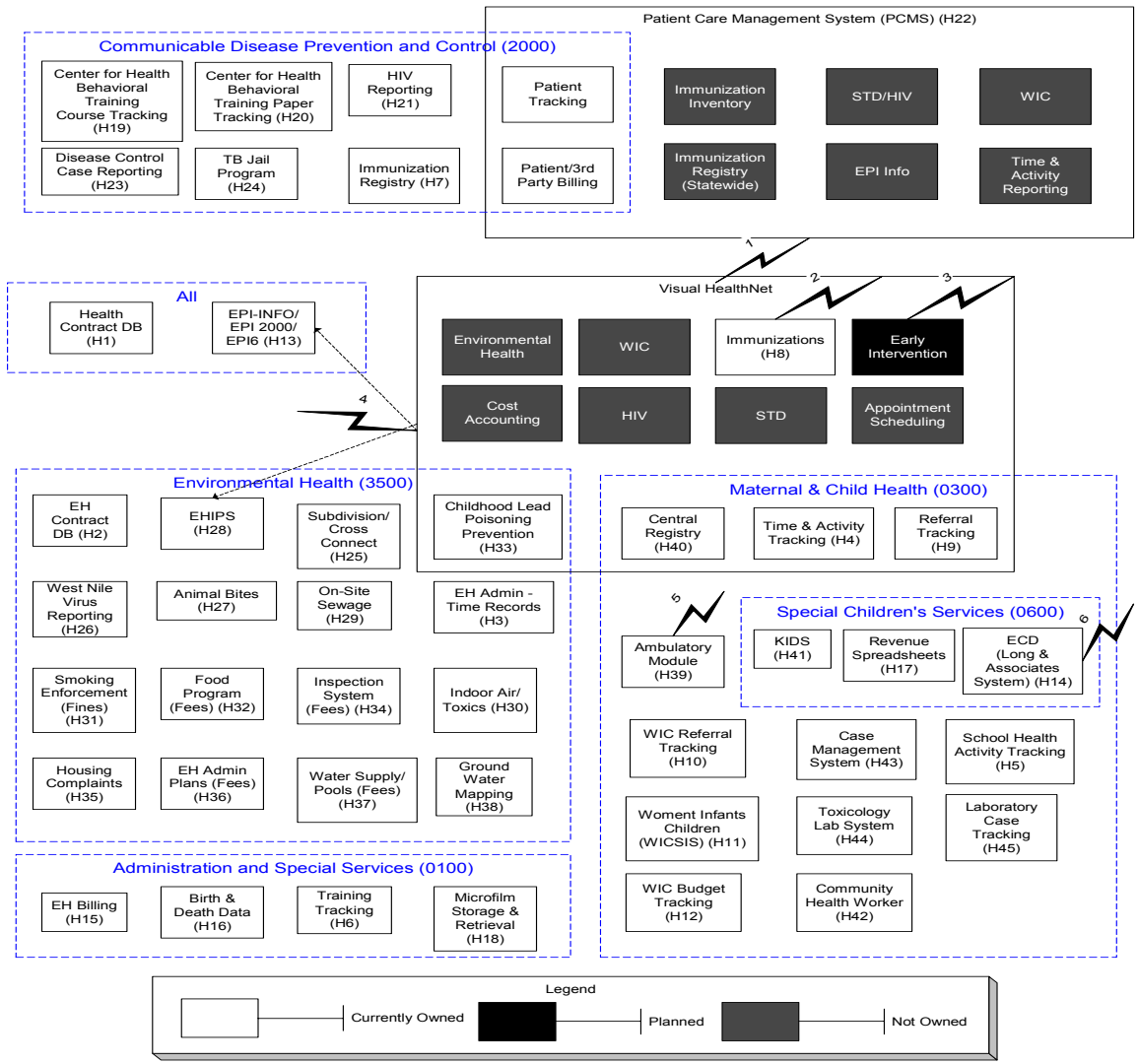
# IT/IS Assessment

## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

### Underlying Factors at HD

- **Stovepipe architecture (i.e. lack of system integration).**




**1. Multiple platforms.** VHN is out of GA, comes from Hospital background. Has very successfully been deployed for M&CH. PCMS is out of NC, comes from clinic background, has successfully been deployed in clinics. Upgrade to Insight is planned. Both vendors hope to provide a comprehensive package for public health.
**2. Immunization module of VHN was given to MC along with the base platform.** Potential overlap with HealthyShots Immunization Registry. Other potential overlaps exist between non-purchased platform modules and existing stand-alone applications.
**3. EI module of VHN is planned.** WIll allow time reports to be generated for KIDS, simplifying EI workflow. VHN hopes to compete with KIDS using this module.
**4. Potential feeds from VHN** to EPI-Info and EHIPS.
**5. Ambulatory Module is going away -** VHN will directly feed Healthy Start.
**6. ECD has electronic interface to NYSED** for AVL, streamlining workflow. No electronic interface for STAC, which is another key bottleneck. No electronic interfaces for Medicaid, School Districts, Service Providers, or LGFS.

# IT Challenges Impacting Front-Line Operations

***- Redundancy -***

## Underlying Factors at HD

- HD systems are not very state driven.
  - Only 5 out of 50+ applications are State mandated).
  - Only 2 of the mandated systems are large in scope and impact.

| Major Applications in HD | Mandated |
|---|---|
| Visual Health Net | |
| PCMS | |
| ECD | |
| Immunization Registry | |
| WICSIS | √ |
| HIV Reporting | |
| EHIPS | |
| EI/KIDS | √ |
| Case Management System | |

  - High level of local control to:
    - Determine architectural vision and cohesiveness.
    - Choose vendors.
    - Drive level of integration.
    - Provide functionality to support day-to-day operations.

## IT Challenges Impacting Front-Line Operations

***- Redundancy -***

**Underlying Factors at HD**

- Many Graphical User Interfaces need to be learned by workers.
- State and the County networks.
  - Have been leveraged by HD to bring application functionality to its users.
  - Still, there exists much diversity in those applications and technologies.
- Cannot enter data into one system (PCMS, Visual Health Net, ECD, etc.) and have that data automatically propagated throughout and to the other/remaining systems.

## IT Challenges Impacting Front-Line Operations
***- Lack of Automation -***

### The Effect on Operations

- Too much paper – not enough info is captured into a database in a fashion that is convenient to the workers' circumstances.
  - Much of the data is captured on paper, *and then* electronically.
  - Forms are currently hand-written, filed, mailed, copied, retrieved, etc. – time and again.
- Too many points of entry being caused by the following factors:
  - Lack of integration for propagation of data (discussed earlier).
  - Functional redundancy of systems (discussed earlier).
  - Too many systems.
- Lack of standard processes (work-flow).
- Lack of intuitiveness of performing job (work-flow).
- Need more info to effectively run the department.
  - Metrics
  - Alerts

## IT Challenges Impacting Front-Line Operations

***- Lack of Automation -***

### Underlying Factors at HD

- ECD
  - Does *not* have electronic interfaces for…
    - STACs (key gap)
    - Service providers (potential to leverage similar interface in KIDS)
    - Medicaid
    - School Districts
    - County Accounting Ledger
  - Does have electronic interface to NYSED for the processing of AVLs + voucher generation for check payment.
  - System took too long to develop and cost too much. Business operations have had to wait for the functionality/automation.
- EI
  - Not Web-enabled (or at least remotely accessible).
  - No client/server synchronization capabilities.
  - Otherwise decent system and dependable vendor.
- Courier/mailing/fax instead of emailing or using a shared application/database.
- Applications are data-entry oriented.
  - No work-flow systems.
  - Lack of metrics.
  - Lack of alerts/proactivity.
- Other, more back-office related issues exist, which have an impact on the operations of HD.

## IT Challenges in the Back-Office
***- Diversity of Technologies -***

### The Effect on Operations

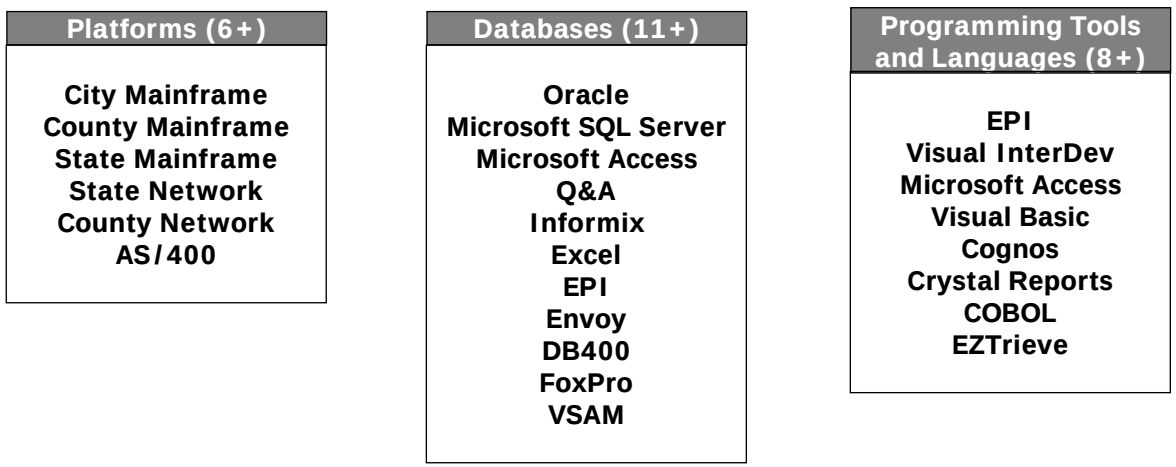
- An excessively broad range of technical knowledge is needed by technical staff in order to effectively support the existing systems.
  - Requires extra training dollars.
  - Either need more staff to cover more area, or more hours spent per staff member learning the tool itself instead of supporting the application or functionality.
  - Quality of service may be impaired.
  - Timeliness of service likely to be impaired.
  - Hidden staff costs associated with experimenting with and learning additional technologies.
- Potential to consolidate software licensing.
  - Platform/Operating Systems licenses.
  - Database licenses.
  - Development tools.

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Diversity of Technologies -***

### Underlying Factors at HD and County IS

- At least 6 major platforms.
- At least 11 database brands.
- At least 8 programming tools and languages (and most likely many more).



# IT/IS Assessment

## IT Challenges in the Back-Office

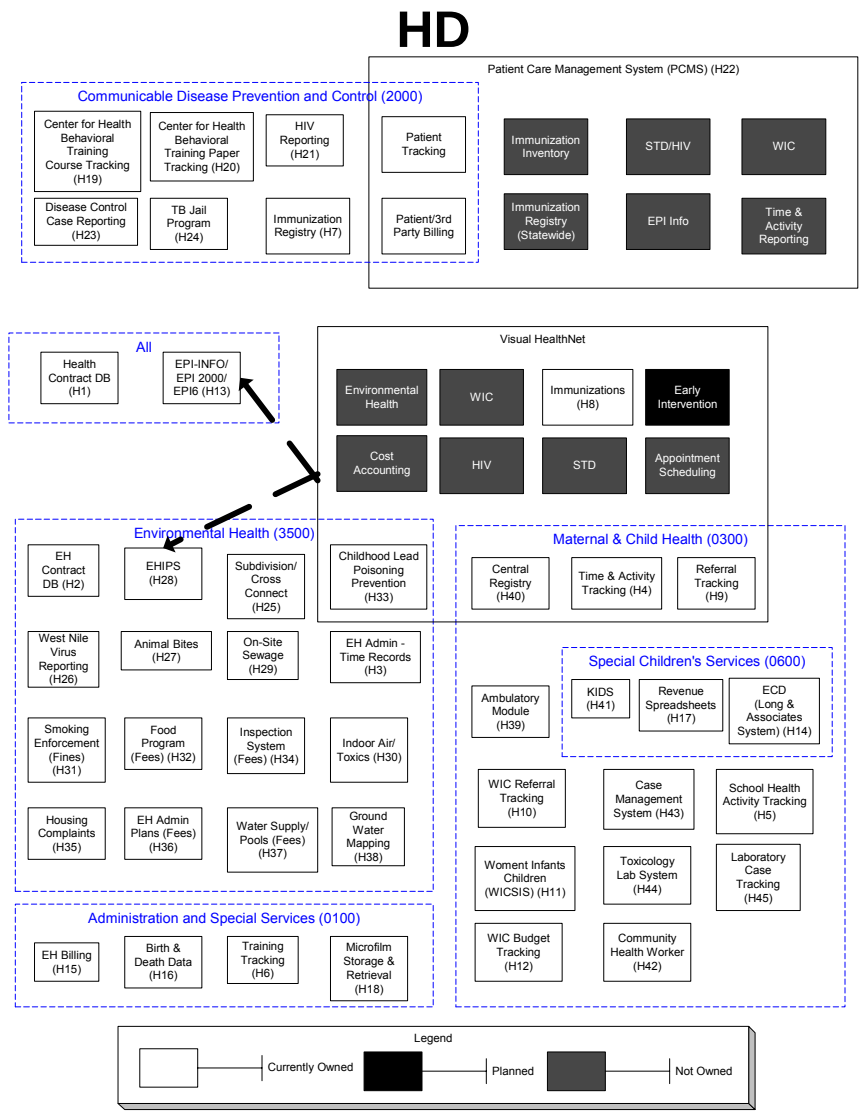
***- Systems are too Disparate -***

### The Effect on Operations

- Need more technical support staff.
  - More individual users per system.
  - Inter-system processes are more manual.
  - IS staff needs to support more users.
  - Regardless of underlying technology, there are extra systems to support.
- End up managing more vendors.
- End up managing more projects.
- Not leveraging infrastructure as much as possible.

### Underlying Factors at HD

- More than 50 applications.
  - Only 5% of those applications integrate with another application.
  - Adding to the problem, virtually no integration exists between DSS and HD.



# IT/IS Assessment

## IT Challenges in the Back-Office

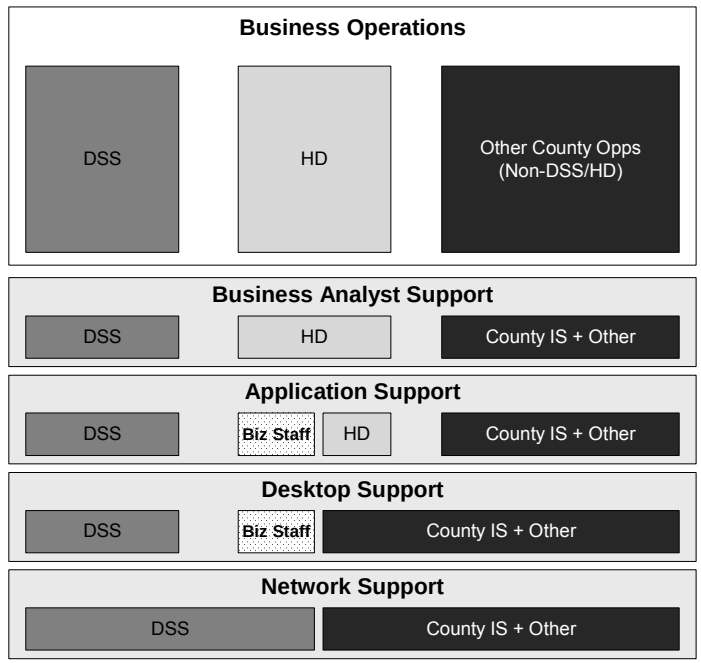
***- Organizational Structure -***

### The Effect on Operations

- Inadequate support from County IS.
- Sometimes HD is left to its own resources to provide technical support.
- County IS staff diluted by support to:
  - Desktops
  - Servers
  - Applications

### Underlying Factors at HD and County IS

- There are four (4) areas/levels that require support:
  - Business Analysis
  - Applications
  - Desktops/PC's
  - Networks
- 3 ½ organizations are utilized to support just two (2) departments (DSS and HD) at almost all levels:
  - DSS = 9 FTE's
  - HD = 4 FTE's
  - County IS (central) = 59 FTE's
  - HD non-technical employees (Biz Staff) = 8 PTE's
- Not including HD, two organizations are utilized to provide IS support to DSS:
  - DSS = 9 FTE's
  - County IS



# IT/IS Assessment

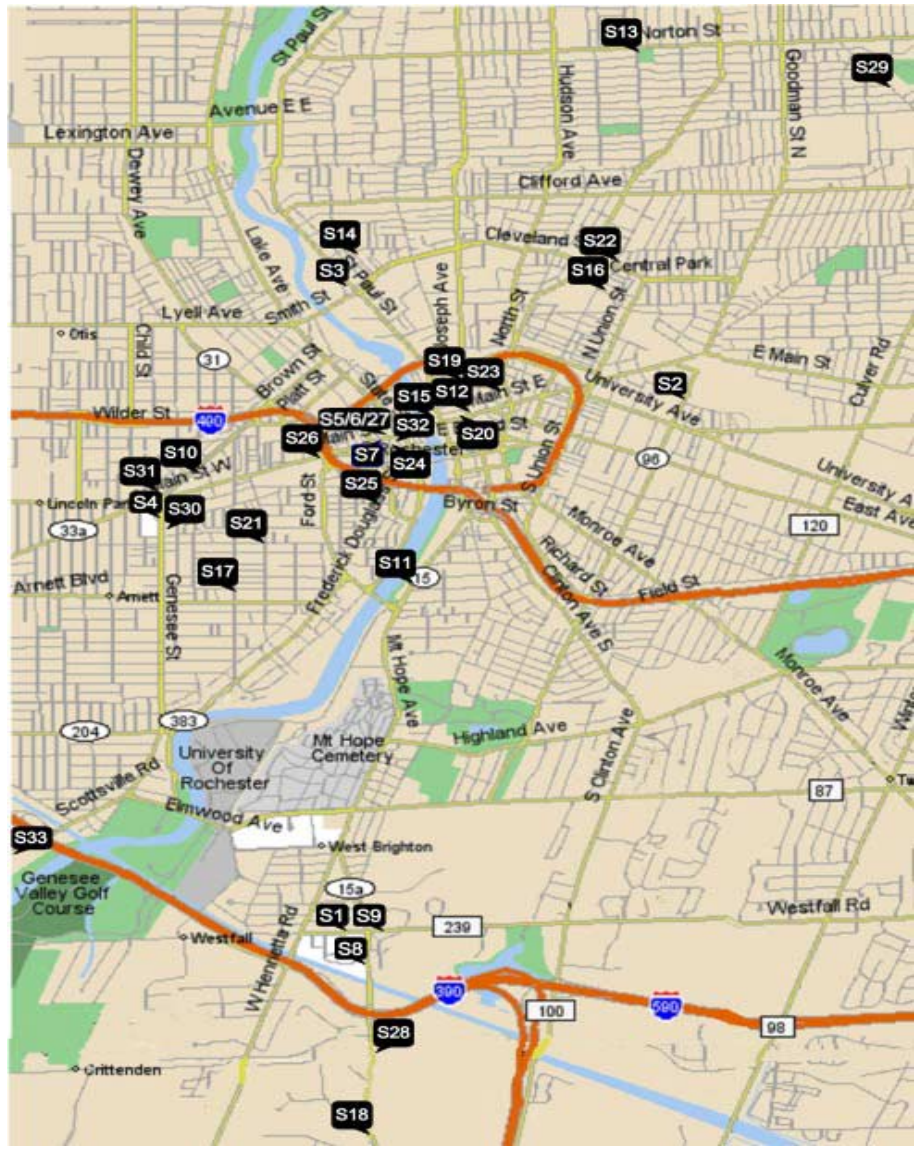
## IT Challenges in the Back-Office
***- Logistics -***

### The Effect on Operations

- HD and County IS staff must occupy or travel to too many locations to provide hardware and applications support
  - Loss of time
  - More difficult to manage staff
  - Increases potential for redundancy of technical staff

### Underlying Factors at DSS and County IS

- Computers operations
  - 33 rooms.
  - 30 buildings.
  - All require support from either DSS, HD, or County IS.
  - Computer room space is under utilized in many buildings.
- Why so scattered?
  - County did not always have high-speed network – it does now (thanks to new fiber).
  - Needed server located close to business operations for speed/performance issues, etc.



# IT/IS Assessment

## IT Challenges in the Back-Office
***- Finances, Funding and Resourcing -***

### The Effect on Operations

- State-supplied systems
  - Create an environment of:
    - Antiquated technology.
    - Limited functionality.
  - Often occupy critical functionality space, preventing better solutions from being used or implemented.
  - Are closed by nature – hinders integration and, therefore, automation.
  - Hinder growth of other HD systems.
- HD suffers somewhat from relying too heavily on State funding/grants for non-State-mandated systems (i.e. if the State does not buy it, HD does not go it on their own) creating an opportunity cost:
  - Operational inefficiencies.
  - Unnecessary technical support overhead.
- Applications technology and investment lacks strategic approach.

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Finances, Funding and Resourcing -***

### Underlying Factors at HD

- Heavily grant-based funding.
- Low level of outsourcing (ECD is good example).
- Generally, salaries for technical staff are not competitive with private sector.

### Underlying Factors at County IS

- 59 FTE's
- "Owns" IBM Mainframe, yet we found at least $750K in reoccurring costs associated with it.
- Very modest budget – still shrinking.
- Network
  - Development and support is centrally funded and controlled.
  - Support is outsourced.
  - Relatively modern, reliable and fast.
- Software/Applications
  - Development and support is funded by program teams, not centrally.
  - Support is handled internally – sometimes doesn't exist due to funding issues.
  - In general, lagging behind network.
- Generally, salaries for technical staff are not competitive with private sector.

# IT/IS Assessment

## IT Challenges in the Back-Office
***- Strategy and Architecture -***

### Basic Facts

- Information Management Planning Board (IMPB)
  - Chair – Richard Mackey (Deputy County Executive)
  - 10 department heads
  - Meets monthly
  - Policies and goals
  - Approves:
    - Non-Capital projects >$100K
  - Approves and Controls:
    - Capital projects >$100K
- Architecture Review Board
  - Sub-component of the IMPB
  - Chair – Jaime Bari (Financial Services)
  - Business team
  - Technical team
  - Technical strategy
  - Responsible for ROI calculations re: technology investment
  - Approves:
    - Projects <$25K
  - Approves and Controls
    - Projects $25K → $100K
  - Reviews:
    - Non-Capital projects >$100K
  - Reviews and Controls:
    - Capital projects >$100K

# IT/IS Assessment

## IT Challenges in the Back-Office

***- Strategy and Architecture -***

### Our Observations

- Some evidence of strategies consistent with a movement towards architectural coherence.
- Existing Information Technology Investment Process provides:
  - Qualitative and quantitative criteria.
  - Compare and prioritize functions.
  - Milestones for measuring progress.
- Existing application portfolio
  - Fragmented.
  - Individual applications built based on program-level requirements ( vs. agency-level requirements).
- No documented Baseline Architecture, describing:
  - Current state.
  - Target Architecture.
  - Desired state.
  - Transitional Architecture (defining a plan to move from current state to desired state).
- No clearly defined individual(s) with responsibility for architectural coherence at:
  - Agency level.
  - County level.

# Contract/Contractor Assessment

## Summary

The Health Department  is to be commended for recently reengineering the contract management process and for developing a corresponding database application to assist in the management of the contracts.  Unfortunately, the Contract Management Team responsible for the contract reengineering  project decided to defer the focus on developing a Contract Performance Management process.  As a result, most contracts are not strong in the area of contract performance. Of additional concern is the fact that the new contract management process and system have not been universally adopted by the department.

As a result, the department has executed contracts that do not sufficiently detail the services that are to be provided, the level of service to be provided, how many clients will be served and the mechanism and measures that will be used to evaluate contractor performance.  The impact of this is substantial.  Contractor performance is, as a result, difficult to evaluate, and comparisons between competing contractors are difficult to make.

# Contract/Contractor Assessment

## Summary (cont'd)

Of particular importance, the contract management process is not linked directly to the payment for services. It is, therefore, difficult to measure and control actual versus projected expenditures or control overall expenditures system wide. This makes it difficult for the department to identify problem areas or secure better rates and services from individual providers.

# Contract/Contractor Assessment

The contract creation and management process is not as fully integrated, comprehensive or uniformly adopted enough to effectively manage existing contracts.

- The HD has two functional areas and two databases for managing contracts. One group, using Excel, focuses on creating and managing contracts related to Early Intervention and Education for Children with Disabilities. The other group, using Access, focuses on creating and managing contracts related to the rest of the Health Department.
- The contract creation process implemented by the Department of Health does not effectively address the issue of contractor performance.
- The majority of the contracts reviewed do not adequately define the quality and quantity of services to be provided or a process for evaluating contractor performance.
- **Effects**:
  - ***It is difficult to get an accurate snapshot of its overall contract situation***
  - ***Difficult to objectively assess contractor performance and hold them accountable***
  - ***Difficult to compare the value of different providers***
  - ***Difficult to contain costs***

# Contract/Contractor Assessment

Insufficient collaboration and negotiation with contractors increases administrative and program costs

- Multiple contracts are developed for a single vendor and each contract is negotiated separately. The volume of business being provided is not effectively leveraged to achieve better pricing.
- Many contracts seem to be generated without an appropriate level of analysis to ensure that the departments get the best value for their investment.
- The majority of contracts reviewed do not adequately define the quality and the quantity of services to be provided or detail a process for evaluating contractor performance.
- ***Effects:***
  - ***Difficult to ensure that the department gets the best value for its investment.***
  - ***Difficult to hold contractors accountable for poor performance.***
  - ***Difficult to stabilize cost across contractors for similar services provided.***
  - ***Potential for overpayment for services.***

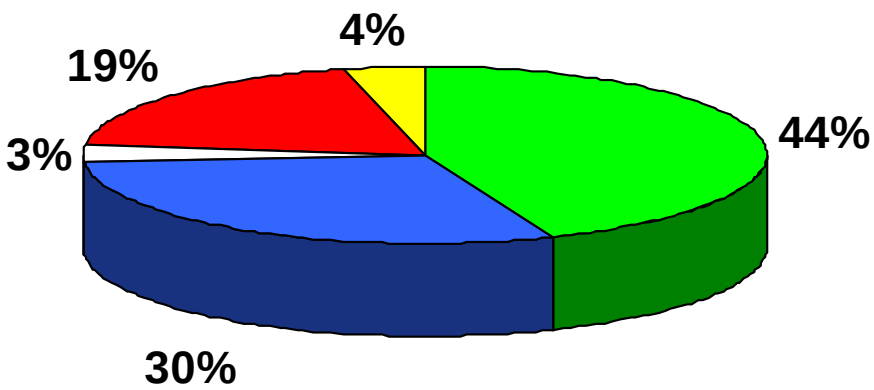
# Finance Assessment

## Key Findings

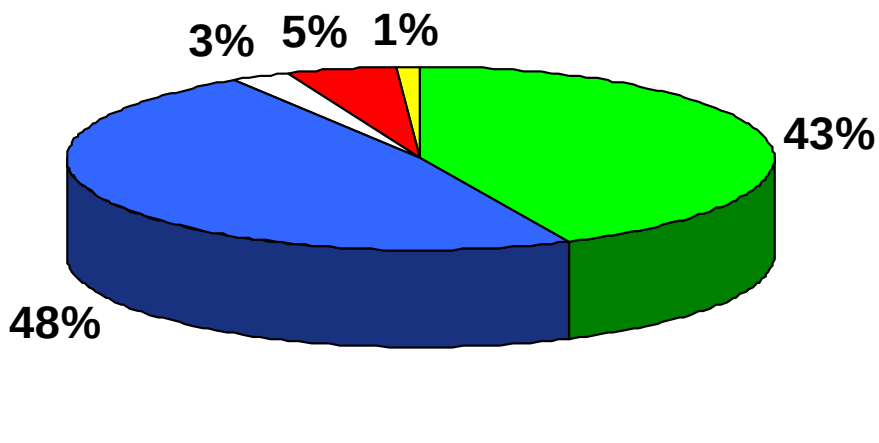
- Providing health-care needs to the community is an admirable undertaking but a daunting task: There are virtually unlimited demands which must be addressed with limited resources.
- Determining the value of providing a particular health-care service is difficult, and while the Health Department has clearly stated objectives, (such as reducing the incidence of TB) the cost of achieving those objectives is not analyzed and a return on the investment is not determined.
- In addition to providing services mandated by the New York State Department of Health, the MCHD provides many services which are deemed “essential to the Mission” (Core) and “Not essential to the Mission” (Expanded) but which are not mandated, and are in many cases available from other providers.
- Efforts of HD finance team members are impaired by a lack of tools, processes, and information tracking and reporting systems.

# Finance Assessment

**Average Percent of LPHA Budget by Funding Source: *All LPHAs***




**Average Percent of LPHA Budget by Funding Source: *Monroe County***




**Source: NACCHO**

# Finance Assessment

- Service Reimbursements account for approximately 5% of Monroe County's budget whereas, according to a survey completed by NACCHO, this number was found to be around 19% on average for all LPHAs.
- A major reason for this is that Monroe County's fees and charges have remained relatively flat over the years and are significantly lower than other comparable NYS counties.
  - Monroe County charges $32 for a Temporary Food Service Establishment vs. Erie County's fee of $53.
  - Monroe County's fees for Motels and Hotels are significantly lower than those of Albany County. Monroe County charges $284 for 51-100 units vs. Albany County's fee of $350. Likewise, Monroe County charges $383 for 101 plus units, and Albany's fees are $400 for 100-199 units and $450 for 200 plus units.

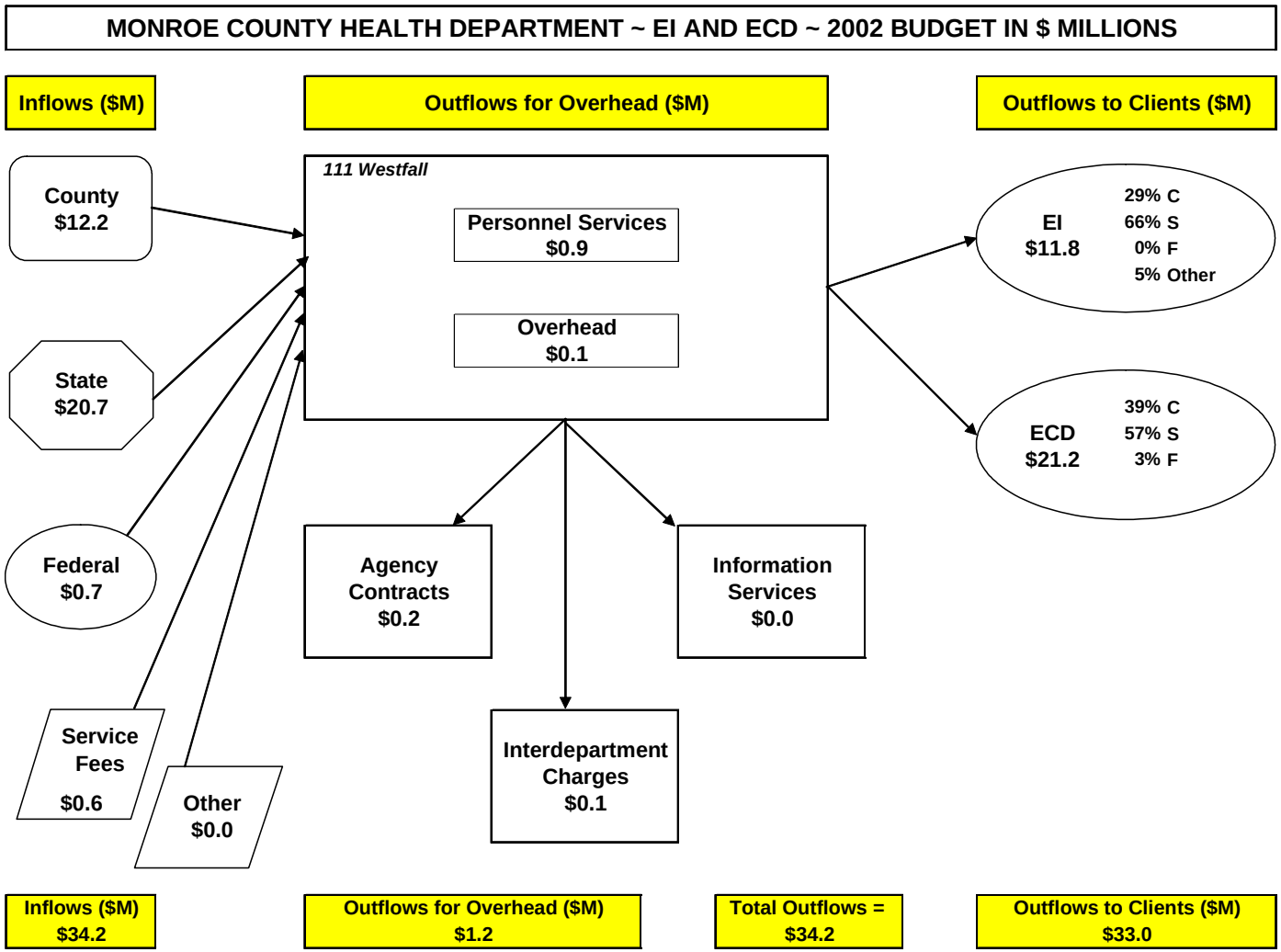
# Finance Assessment

| Monroe County Health Department Estimated Program Cost per Case | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Program | County Share | Number of Cases per Year | | | | | County Cost per Case per Year | | | | |
| | | 1999 | 2000 | 2001 | 2002 | 2003 | 1999 | 2000 | 2001 | 2002 | 2003 |
| **EI** | 30% | | | | | | | | | | |
| Program | | 1,782 | 1,972 | 2,088 | N/A | N/A | $1,567 | $1,798 | $1,653 | N/A | N/A |
| Administrative | | 1,782 | 1,972 | 2,088 | N/A | N/A | $180 | $218 | $187 | N/A | N/A |
| **ECD*** | 40% | | | | | | | | | | |
| Program | | | | | | | | | | | |
| Preschool - Tuition | | 980 | 980 | 980 | 980 | 980 | $4,357 | $3,960 | $3,917 | $4,212 | N/A |
| Preschool - Therapies | | 1,225 | 1,225 | 1,225 | 1,225 | 1,225 | $1,766 | $1,769 | $2,117 | $1,857 | N/A |
| Preschool - Evaluations (# of evaluations) | | 5,650 | 5,650 | 5,650 | 5,650 | 5,650 | $62 | $73 | $64 | $76 | N/A |
| Preschool - Transportation | | 865 | 865 | 865 | 865 | 865 | $1,238 | $1,264 | $1,231 | $1,315 | N/A |
| Administrative | | 2,205 | 2,205 | 2,205 | 2,205 | 2,205 | $48 | $49 | $77 | $50 | N/A |
| *Caseload data only available for the year 2000, used HD's estimate for the years 1999 and 2001-2003. | | | | | | | | | | | |

# Finance Assessment

The following diagram depicts the sources and uses of funds for the Early Intervention (EI) and Education for Children with Disabilities (ECD) programs. It shows the total inflows for the programs and the allocation of funds to overhead costs and outflows to clients. The 2002 Budget includes total revenues for the two programs of $34.2 M, of which $20.7 M is State Aid, $0.7 M is Federal Aid and $0.6 M is from Service Fees with the remaining $12.2 M comprising the County Share. $1.2 M is spent to administer the two programs and $33.0 M is spent on outflows to clients.

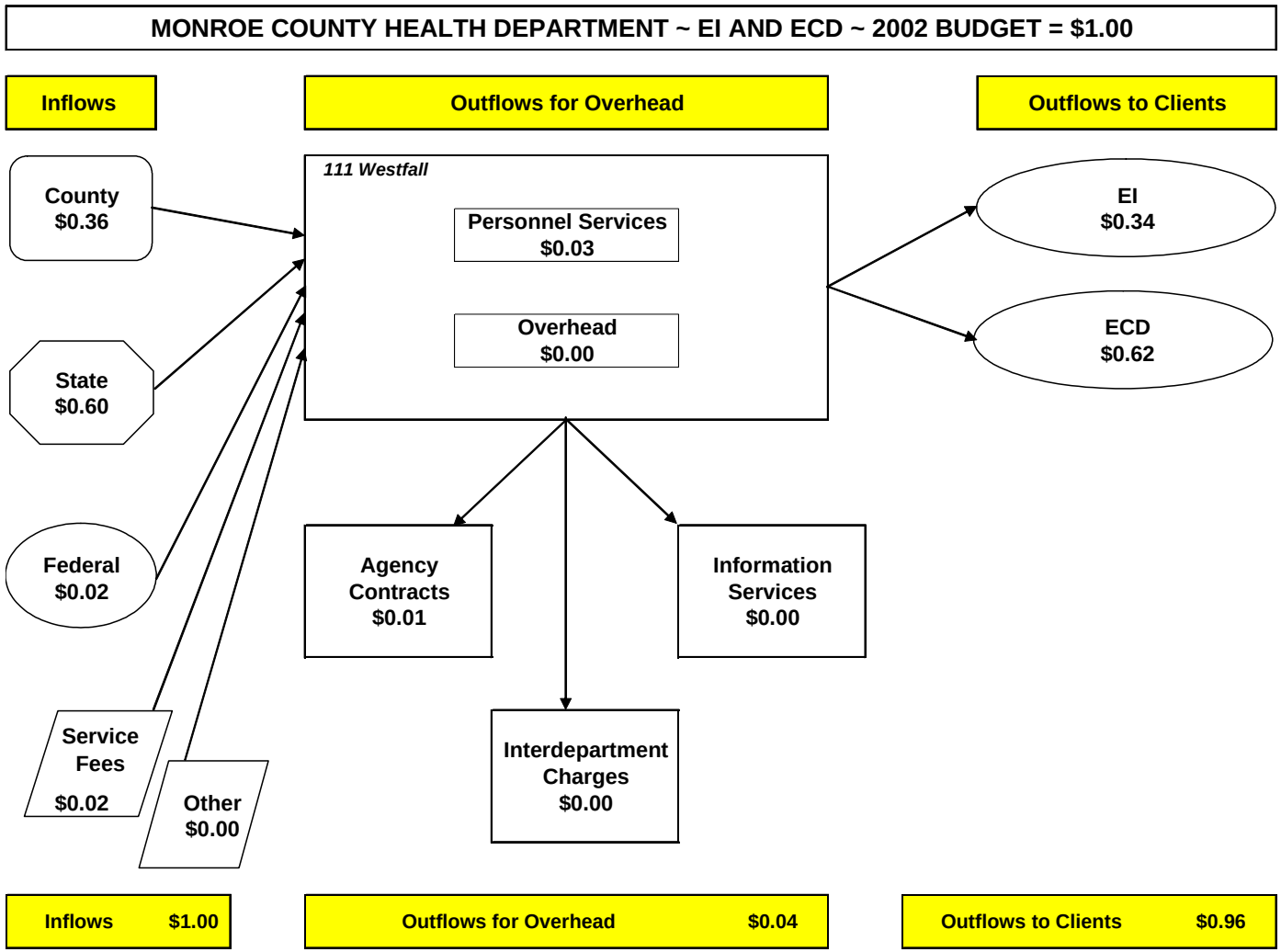
# Finance Assessment



# Finance Assessment

The following diagram demonstrates the sources and uses of one dollar for the EI and ECD programs. For every dollar that is budgeted for the two programs, $0.60 is State Aid, $0.02 is Federal Aid, $0.02 is from Service Fees and $0.36 is from the County. Out of every dollar spent, $0.04 is spent on administering EI and ECD and $0.96 is spent on program related costs.

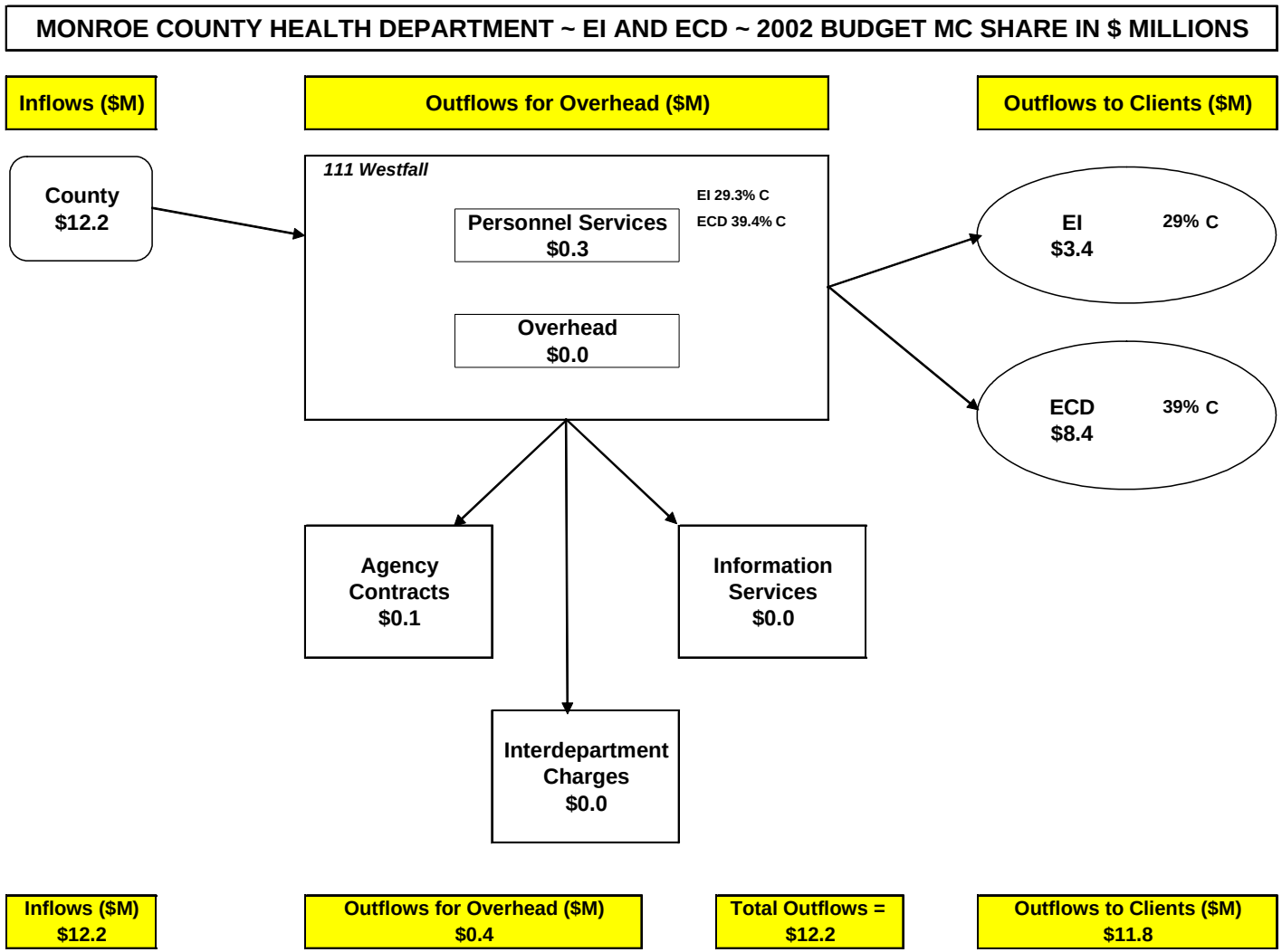
# Finance Assessment



# Finance Assessment

The following diagram depicts Monroe County's share of the overhead and program costs for EI and ECD.  Net County Support for the 2002 Budget totals $12.2 M, of which $0.4 M is allocated to overhead costs and $11.8 M to program related costs.

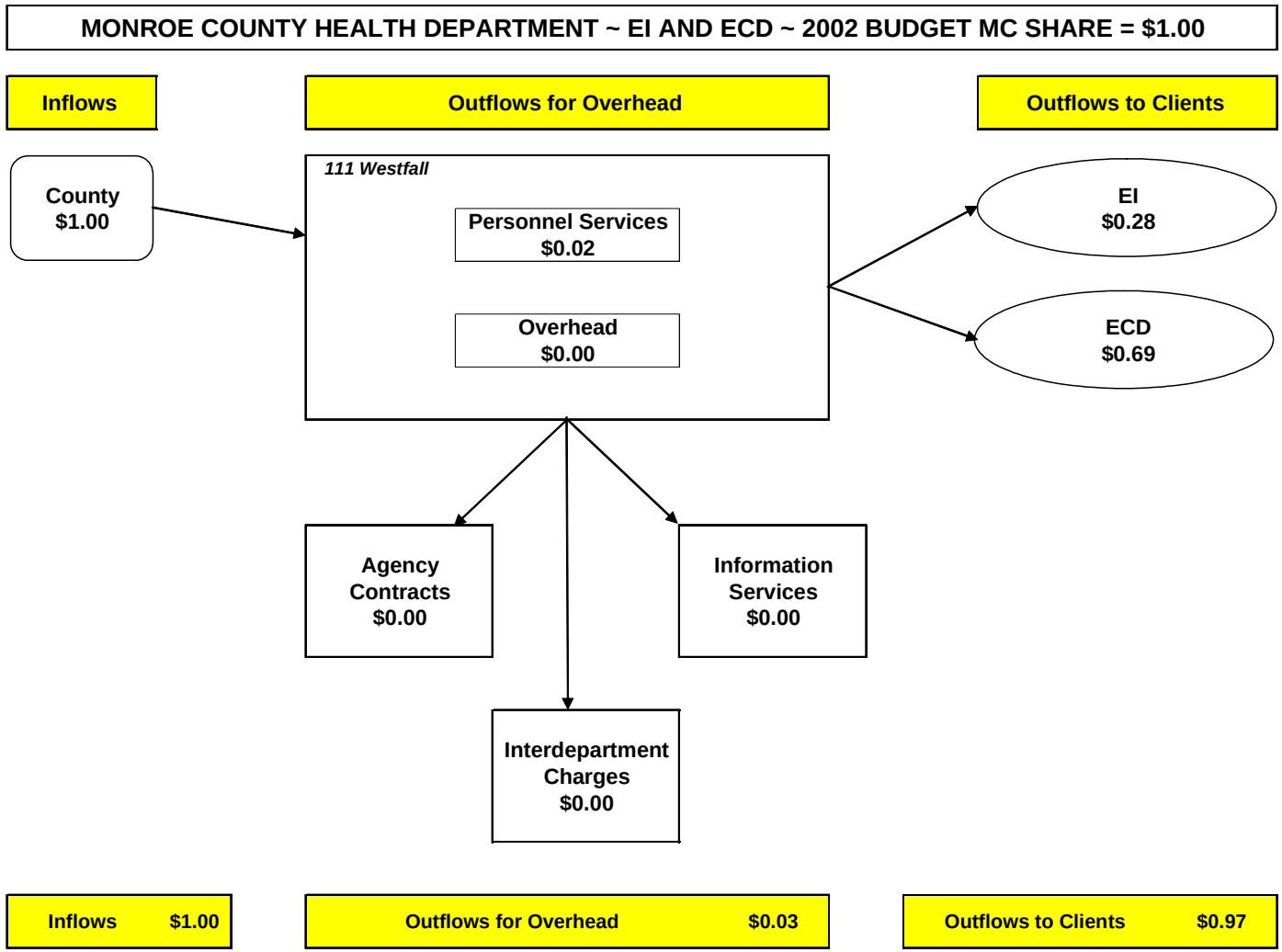
# Finance Assessment



# Finance Assessment

The following diagram demonstrates the sources and uses of one “Monroe County” dollar for the EI and ECD programs.  For every dollar budgeted, $0.03 is spent to administer the programs and $0.97 is spent on outflows to clients.

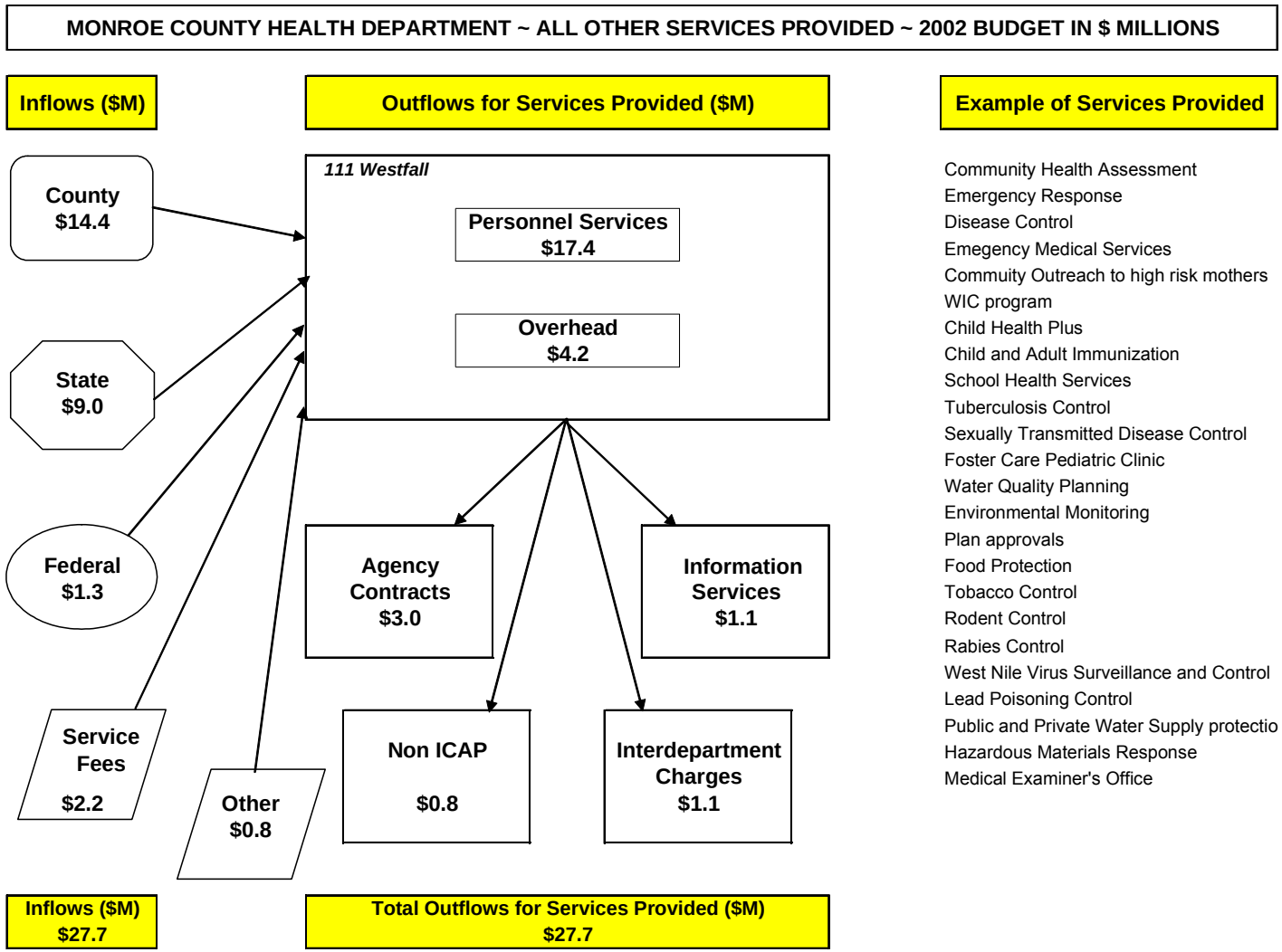
# Finance Assessment



# Finance Assessment

The following diagram depicts the sources and uses of funds for the services provided by the Health Department. It shows the total inflows for the services and the allocation of funds to overhead costs. The 2002 Budget includes total revenues of $27.7 M, of which $9.0 M is State Aid, $1.3 M is Federal Aid, $3.0 M is from Service Fees and Misc. sources with the remaining $14.4 M comprising the County Share.

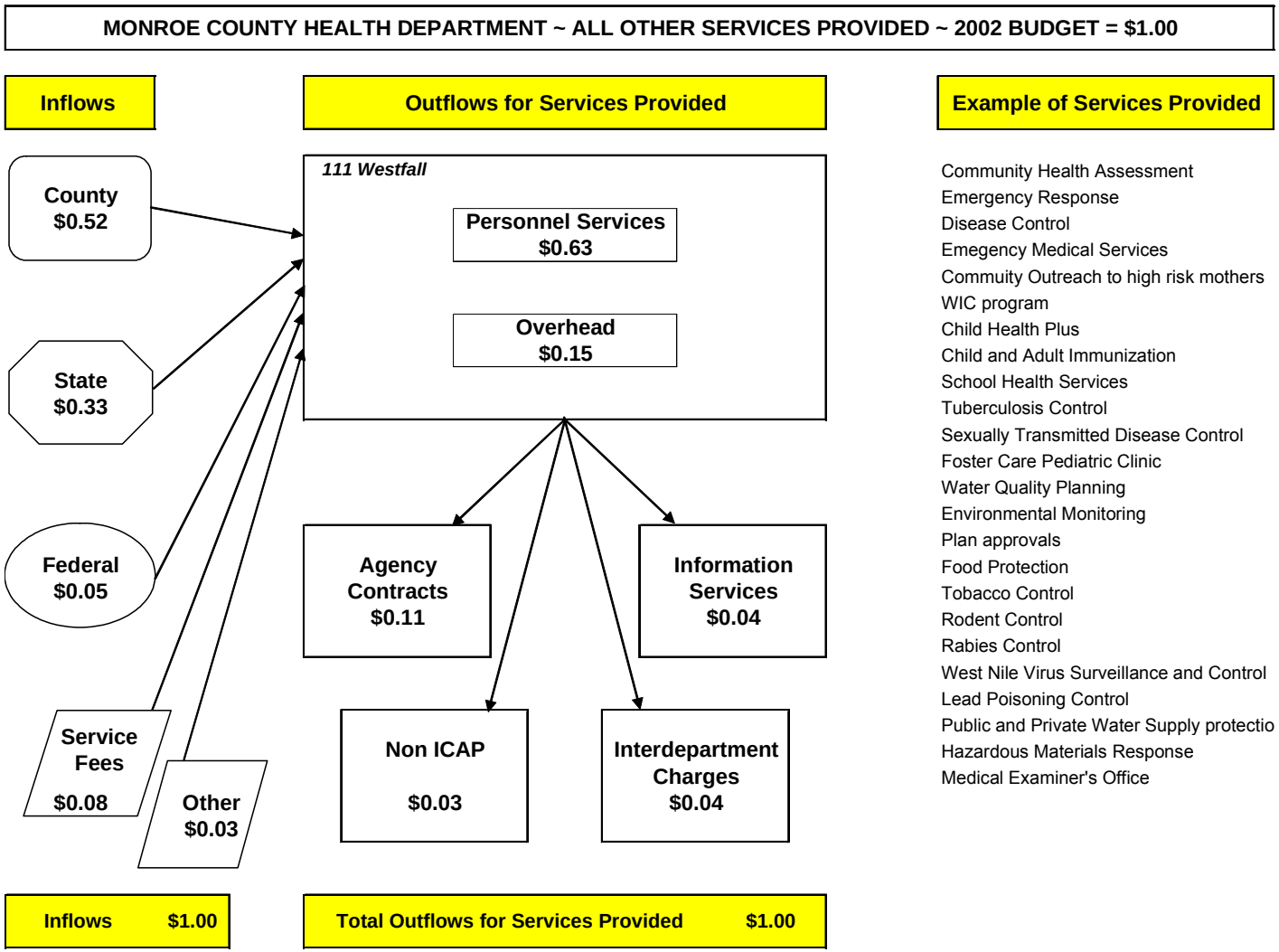
# Finance Assessment



# Finance Assessment

The following diagram demonstrates the sources and uses of one dollar for the services provided by the Health Department.  For every dollar that is budgeted, $0.33 is State Aid, $0.05 is Federal Aid, $0.11 is from Service Fees and Misc. sources, and $0.52 is from the County.

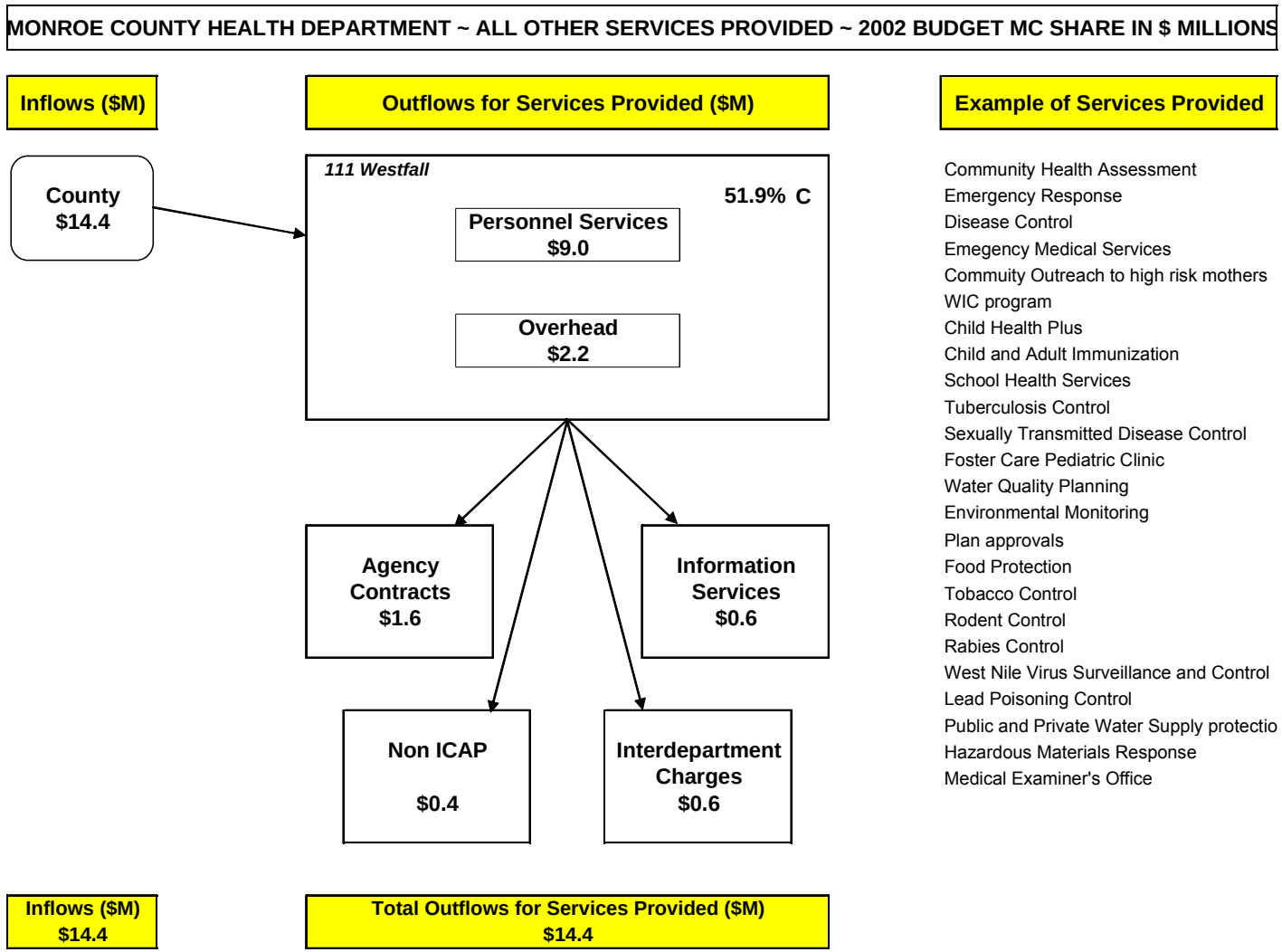
# Finance Assessment



# Finance Assessment

The following diagram depicts Monroe County's share of the costs of the services provided by the Health Department.  Net County Support for the 2002 Budget to administer the services totals $14.4 M.

# Finance Assessment

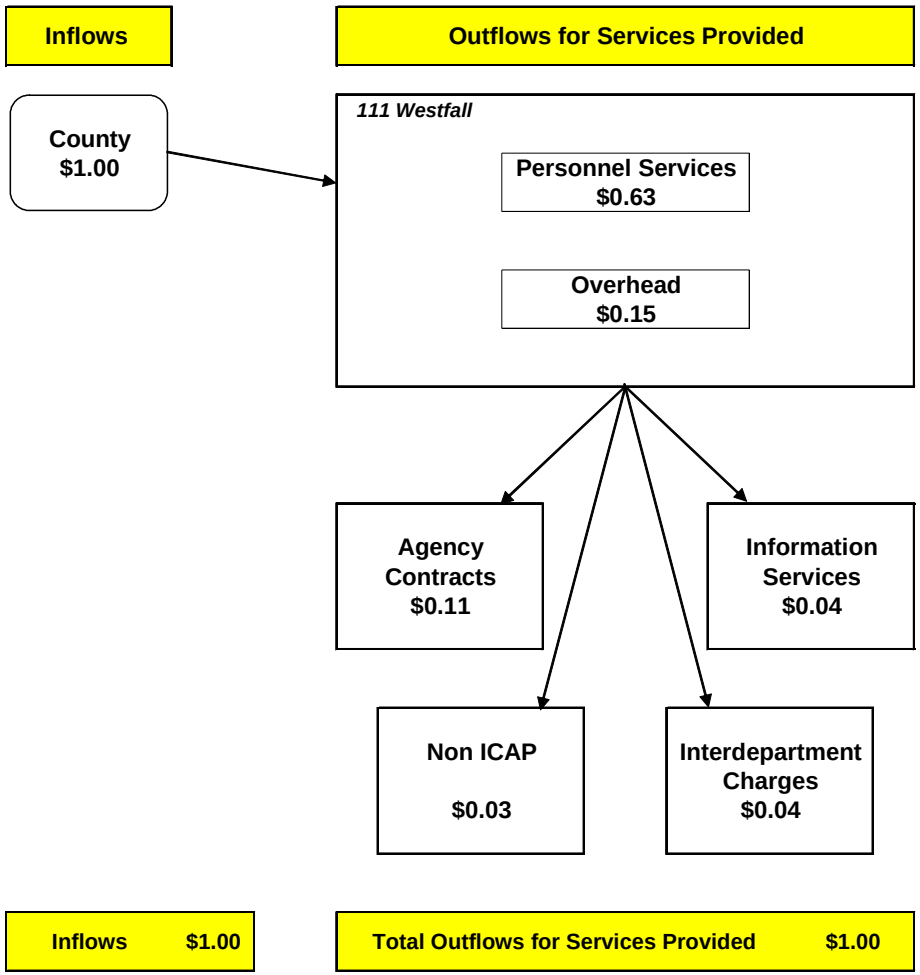


# Finance Assessment

The following diagram demonstrates the sources and uses of one “Monroe County” dollar for the services provided by the Health Department.  For every dollar budgeted, $0.63 is spent on Personnel Services, $0.15 on Overhead, $0.11 on Contracts, $0.04 on IT and $0.07 on Interdepartmental Charge backs.

# Finance Assessment

**MONROE COUNTY HEALTH DEPARTMENT ALL OTHER SERVICES PROVIDED ~ 2002 BUDGET MC SHARE = $1.00**




**Example of Services Provided**

Community Health Assessment
Emergency Response
Disease Control
Emegency Medical Services
Commuity Outreach to high risk mothers
WIC program
Child Health Plus
Child and Adult Immunization
School Health Services
Tuberculosis Control
Sexually Transmitted Disease Control
Foster Care Pediatric Clinic
Water Quality Planning
Environmental Monitoring
Plan approvals
Food Protection
Tobacco Control
Rodent Control
Rabies Control
West Nile Virus Surveillance and Control
Lead Poisoning Control
Public and Private Water Supply protectio
Hazardous Materials Response
Medical Examiner's Office

# Desired State

# Desired State

## Summary

Based on our initial assessment of the business processes and information technology in place at Heath Department and the Department of Social Services, we have formulated a high level, forward looking, conceptual picture of changes to those systems.

The desired state reflects our best efforts at envisioning the future state of the organization. As such, the desired state should be used as guidance when implementing the specific recommendations that follow in the section entitled Recommendation.

A desired state is not included for Contract or for Finance. The recommendation sections for these cover any appropriate desired state issues.

# Desired State

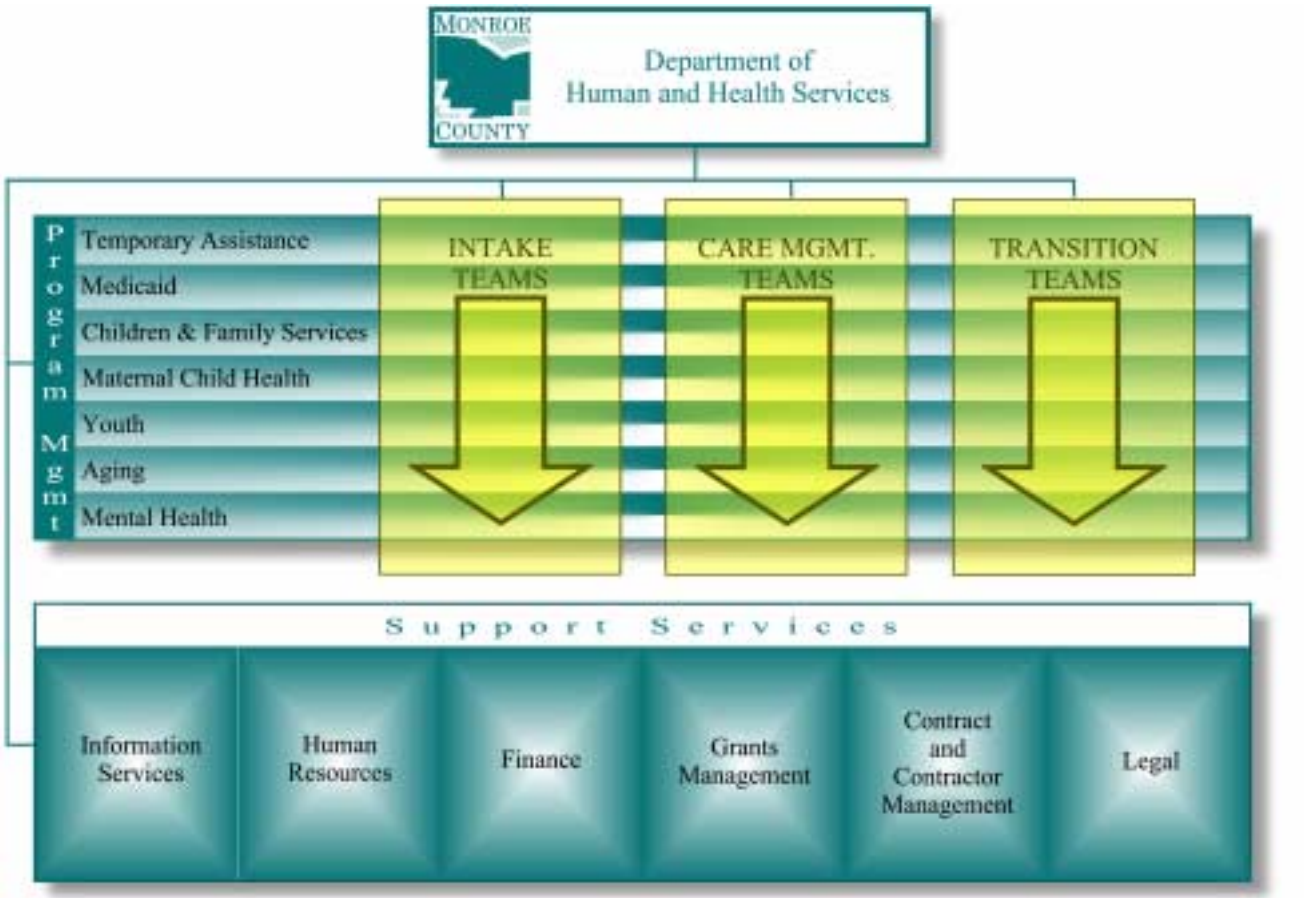
## New Process Oriented Structure

The desired state's primary feature is a **merger of the Department of Social Services, the Maternal and Child Health division of the Health Department, the Office of Mental Health, the Office For the Aging and the Youth Bureau into a new "Department of Human and Health Services". Based on a process-oriented structure,** this new department will centralize intake, care management and transition services within departments and it will centralize finance, human resource and information technology functions. This dramatic step is designed to create true long-term improvements in fiscal performance and customer service. These consolidated departments, reoriented as process-based organizations rather than assemblages of programs, will ensure the efforts and resources of the County are focused on outcomes, rather than programs.

# Organization Structure Desired State

## New Process Oriented Structure

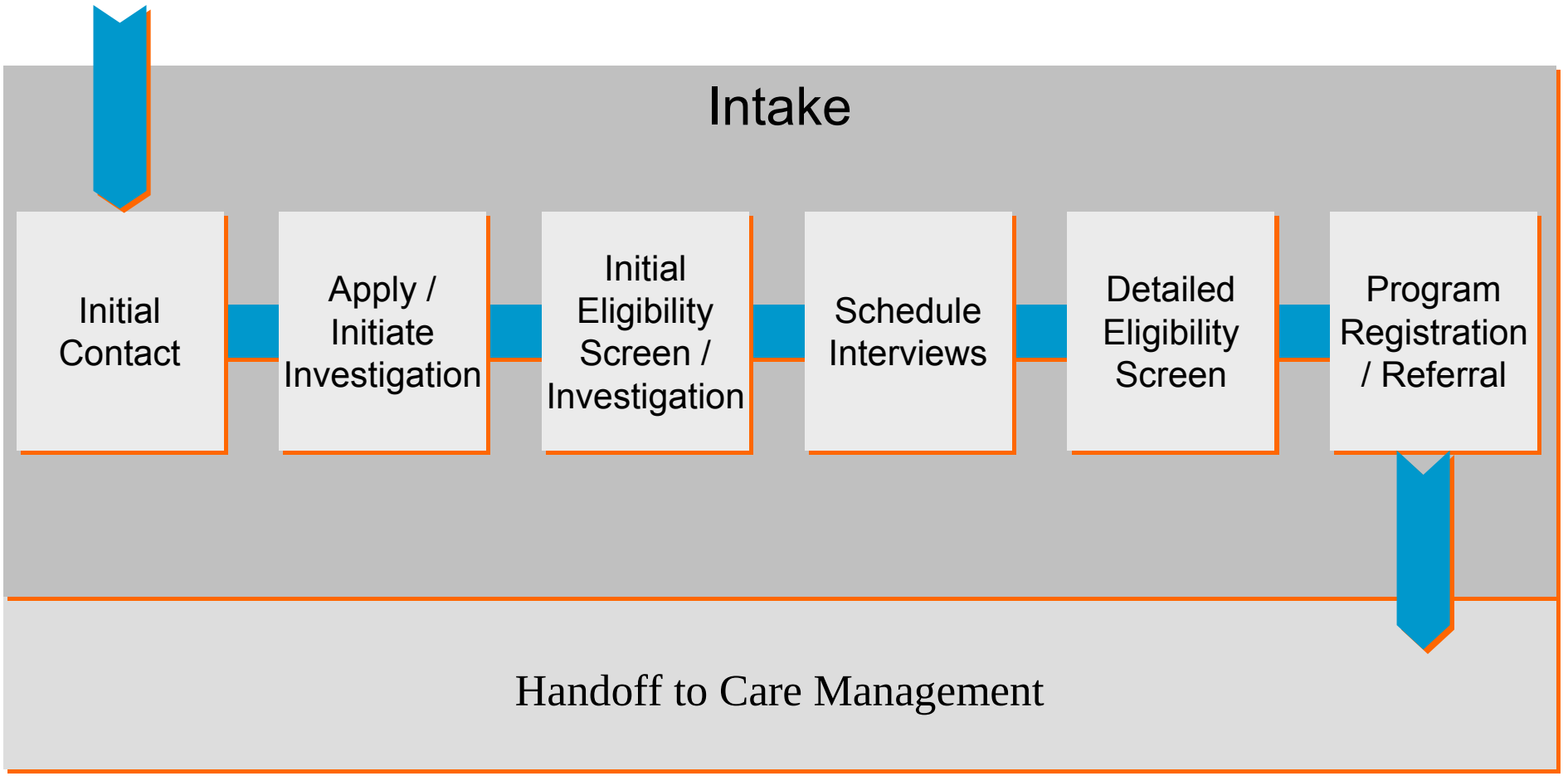
Programs still exist in the new structure, are still where expertise in service delivery lies and are still where funding streams come from. In the process oriented world, however, the programs are no longer central. Client focused Intake, Care Management, and Transition processes are central and enable associated functions to be implemented, and changed over time, across all programs efficiently.



# Business Process Desired State

## Intake

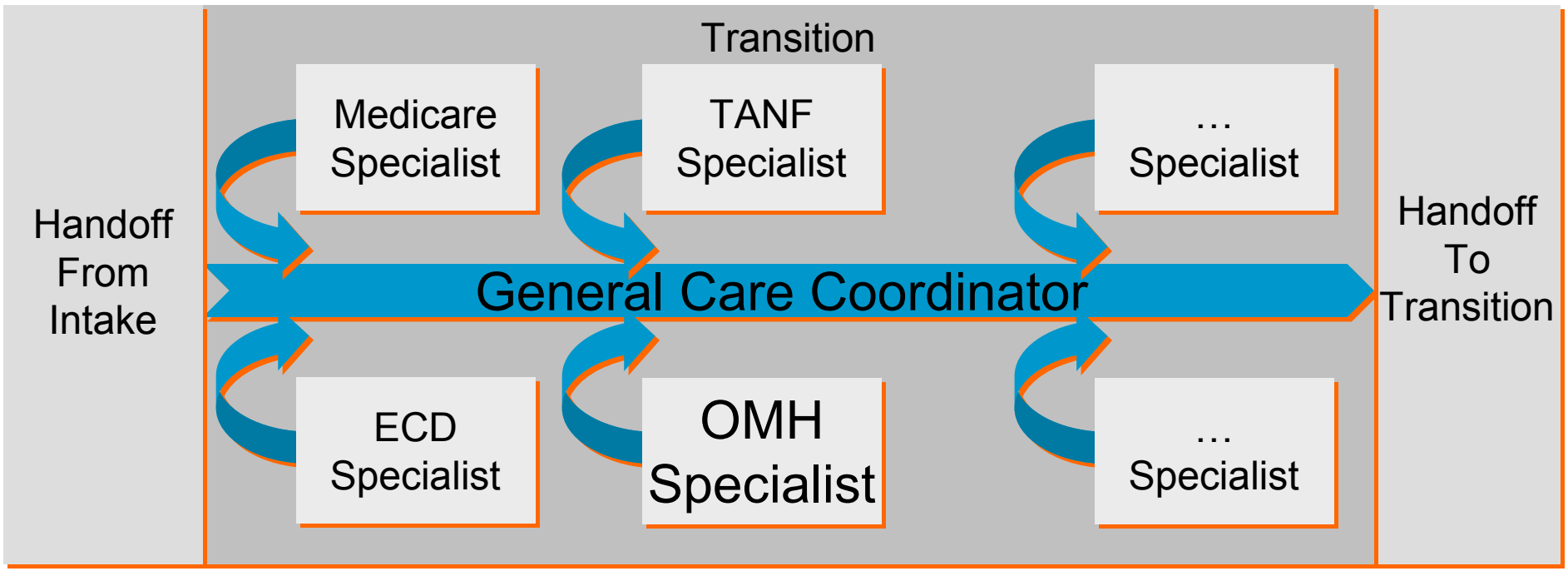
If we define Intake as any point of contact the potential client has with appropriate department personnel for the purpose of being evaluated/screened for eligibility to receive benefits and services from the department, this diagram is a potential high-level view of the Intake process.



# Business Process Desired State

## Care Management

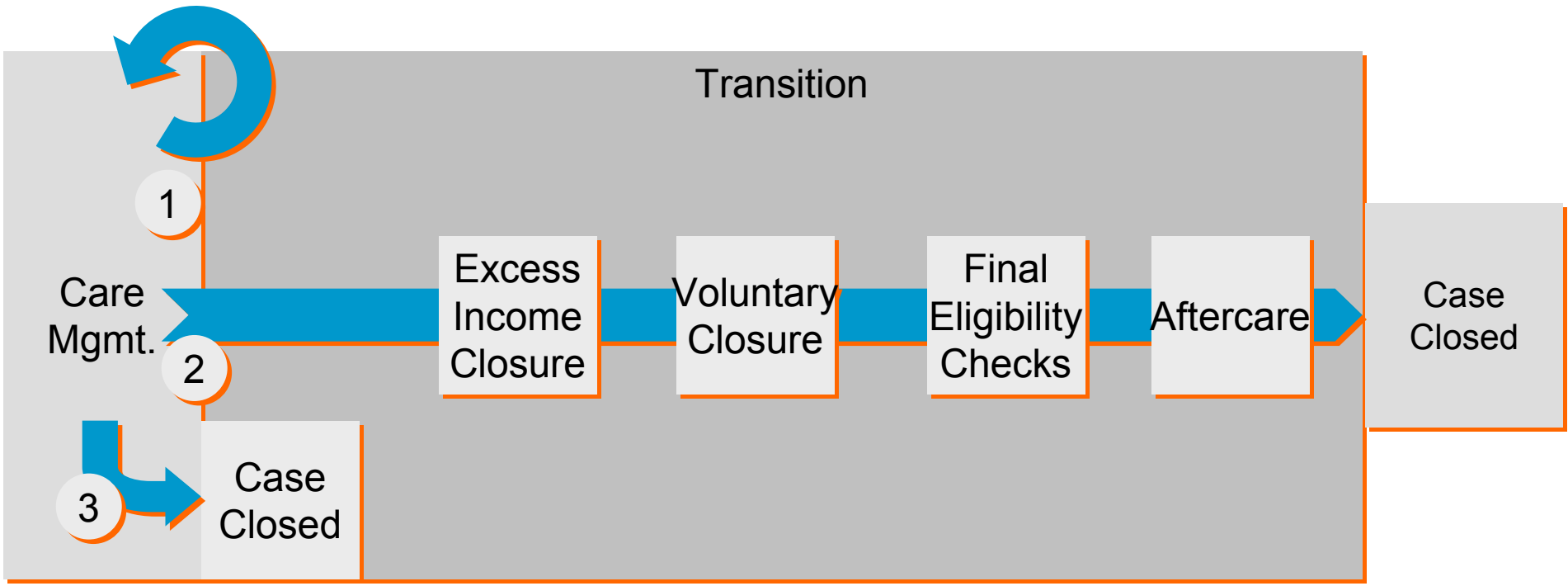
If we define Care Management as any point of contact the client has with the appropriate department personnel responsible for and for the purpose of orchestrating the delivery of benefits and services to the client, this diagram is a potential high-level view of the Care Management process.



# Business Process Desired State

## Transition

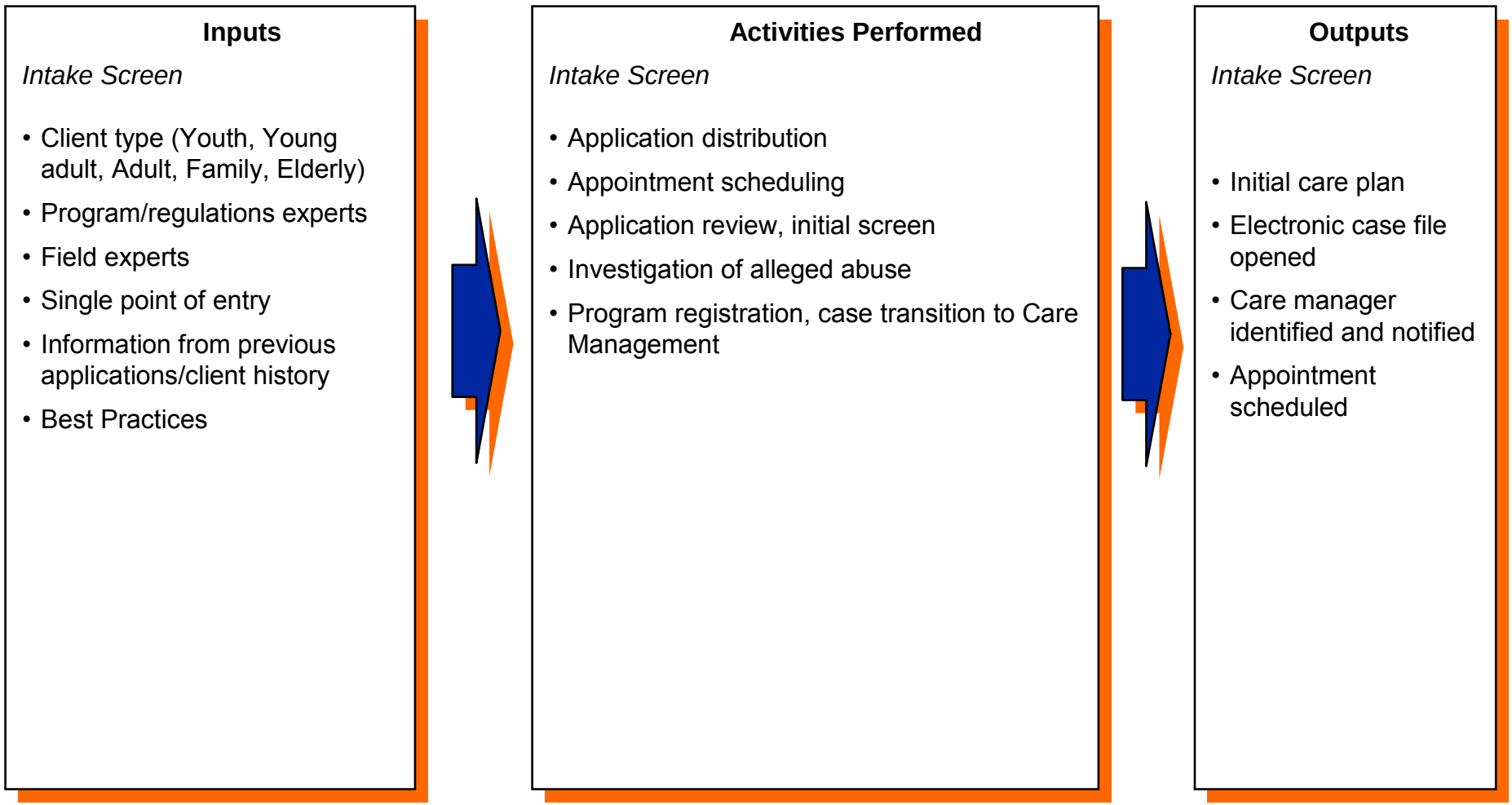
If we define Transition as being Any point of contact the client has with appropriate department personnel responsible for and for the purpose of orchestrating the delivery of benefits and services that will advance the client's progression from dependence to self-reliance and/or independence from department benefits and services, this diagram is a potential high-level view of the Transition process.




1 – Recycle to another program
2 – "Normal" transition
3 – Abrupt transition

# Business Process Desired State

**Intake** Service Delivery will operate by…



# Business Process Desired State

**Care Management** Service Delivery will operate by…

**Inputs**

*Care Management*

- Initial Care Plan (ICP)
- Electronic case file
  - Including all notes
- Case history
- Legal advice (if necessary)

**Activities Performed**

*Care Management*

- Case transition to Care Manager or third party provider (using Transition Checklist)
  - Review of ICP
  - ID any risks, open issues/questions, pending actions
  - Program experts provide advice and council as required
    - Regulations
    - Legal advice
    - Issue elevation is necessary
    - Other
  - Care Manager revises ICP as required
  - Meet with client and finalize care plan (using Care Plan checklist)
    - Review and reinforce program reqs
    - Review recertification procedures and set tentative timings
    - Agree and sign plan
    - Give hard copy to client
  - Conduct recerts and update care plans
  - Develop Transitional Care Plan

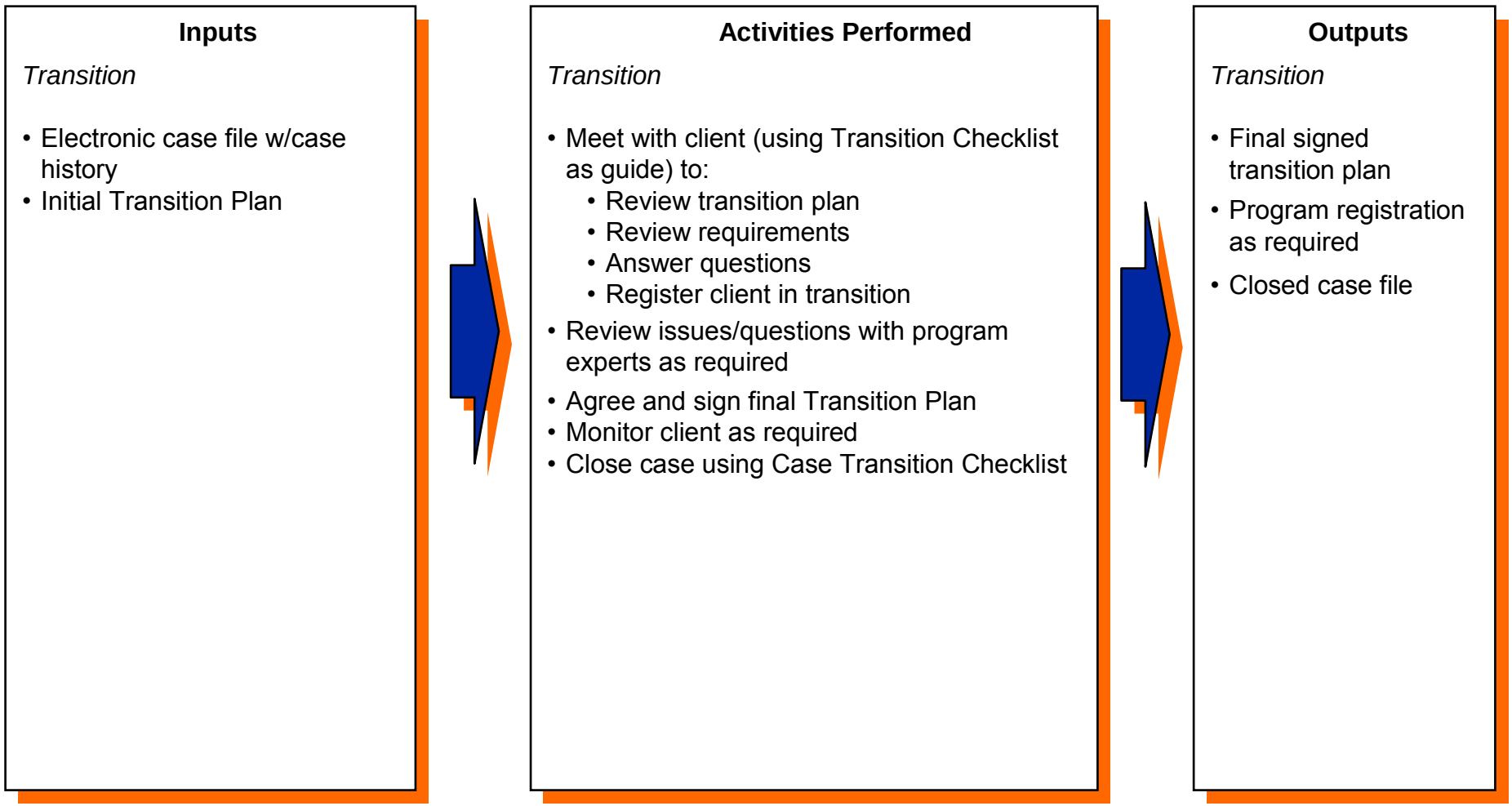
**Outputs**

*Care Management*

- Completed Care Plan
- Recertification schedule
- Completed care plan checklist
- Updated case file
- Initial Transitional Care Plan

# Business Process Desired State

**Transition** Service Delivery will operate by…



# Business Process Desired State

**Administrative Support** Service Delivery will operate by…

**Inputs**

*Admin. Support*

- Procurement
- Detailed design
- Subcontracts/consultant contractual arrangements
- Cost plan

**Activities Performed**

*Admin. Support*

- Financial reporting for projects
- Packaging of documentation for tendering
- Issuing tenders
- Receive tenders
- Tender assessment spreadsheets
- Produce subcontracts
- O/A's
- Progress claims
- Accounts payable/receivable
- Order processing (supply)
- Send correspondence and enter into project database

**Outputs**

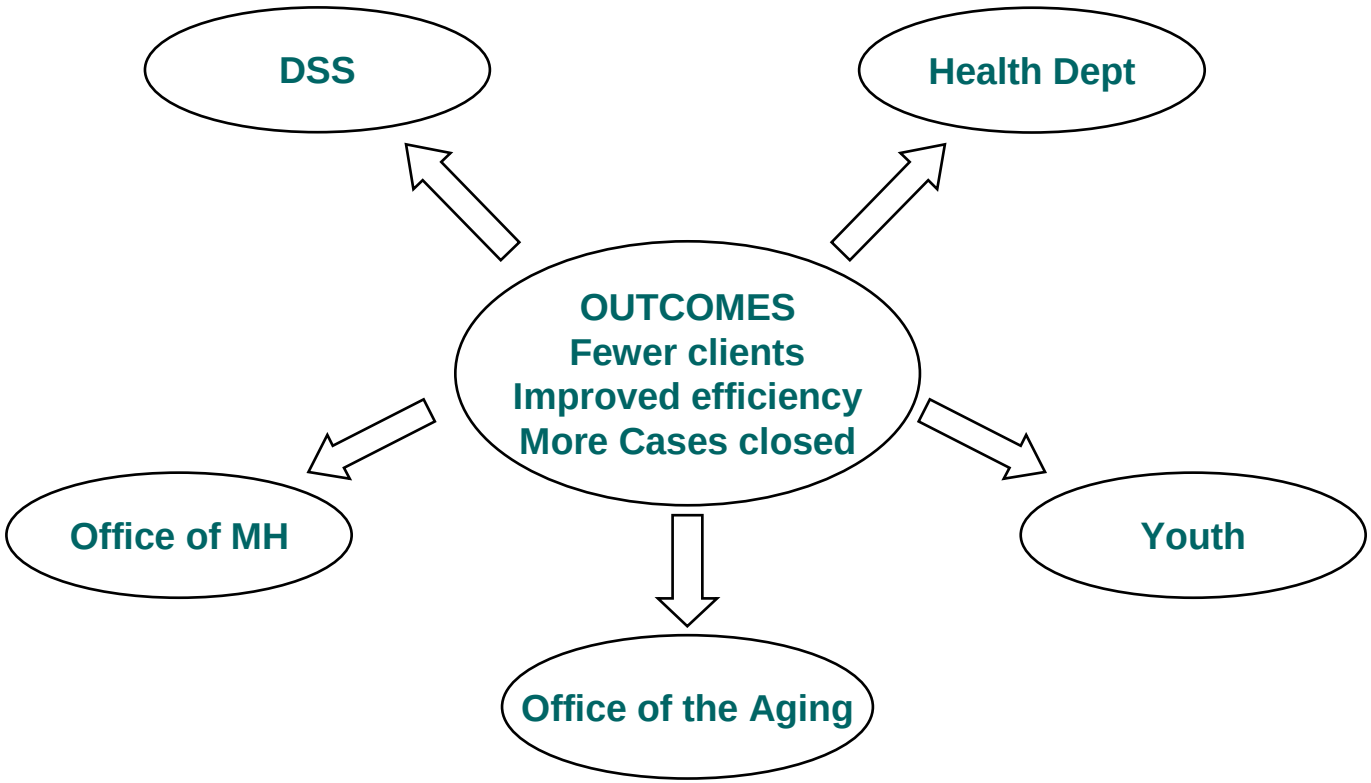
*Admin. Support*

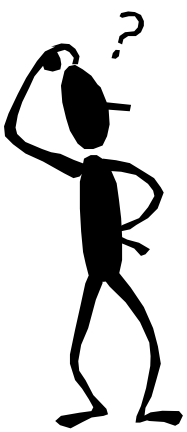
- Financial reports
- Completed subcontracts
- Processed supply orders
- Payments (in/out)
- Correspondence (in/out)

# Business Process Desired State

**Knowledge Management** …

Managing knowledge is relevant to each of the major Program areas and will be essential.



# Business Process Desired State

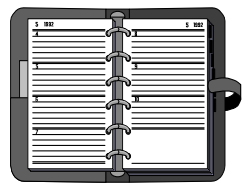
**Human Resources** …

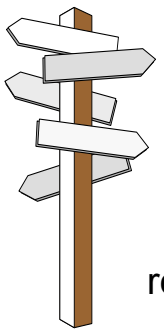
Without the necessary HR changes, we will not meet our objectives. Effective resource allocation is *critical* to the new operation.

Encourage knowledge sharing and nurturing through reward/recognition/HR techniques

**Service Delivery**

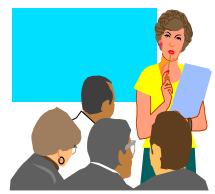
Manage resource allocation effectively





Encourage mobility through recognition / reward / HR techniques

Know staff competencies and update regularly



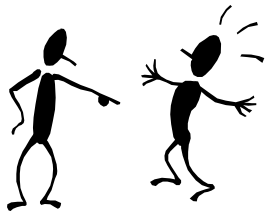
Provide specialists and experts with recognised career paths

Resource based on competency

# Business Process Desired State

## A Day in the life of *TA Intake*… Today

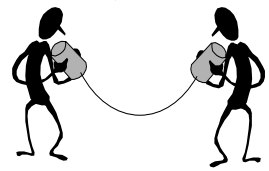
Clients fill out applications and walk in or mail in application



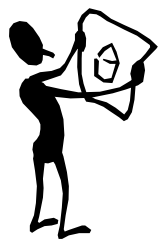
Kenny Client is mailed an appointment, but his name is not on the mailbox.

Intake examiner Sammy Screener has Connie Clerk search for previous case history, but after 3 days, gives up.

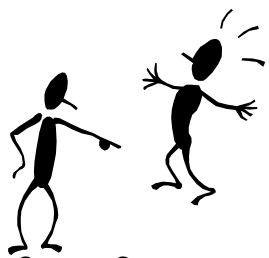
On appointment day Sammy Screener waits, but Kenny Client doesn't show



Johnny Screener types out notice and sends to Kenny Client



Kenny Client finally gets notice and makes another appointment



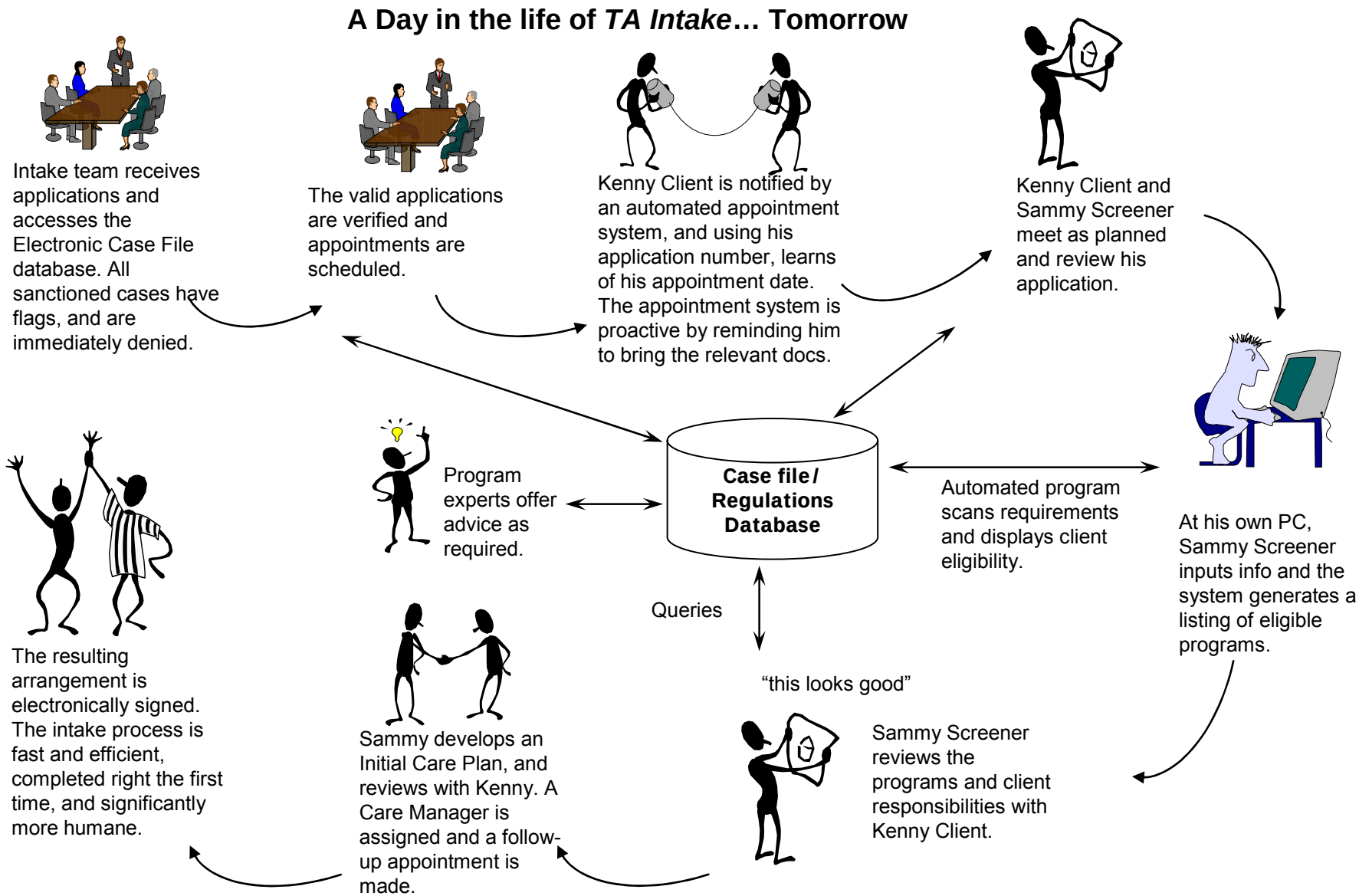
Sammy Screener reviews application and realizes that Kenny Client is missing heaps of information. He tells Kenny he has 10 days to get it.

After missing another appointment, Kenny finally shows up with his documentation. Sammy reviews and discovers Kenny has been sanctioned and is not eligible for another 100 days

The result is a frustrated client and a demoralized examiner who has wasted days of time.

**Had Sammy been given the old case file. The initial appointment would have been unnecessary.**

# Business Process Desired State

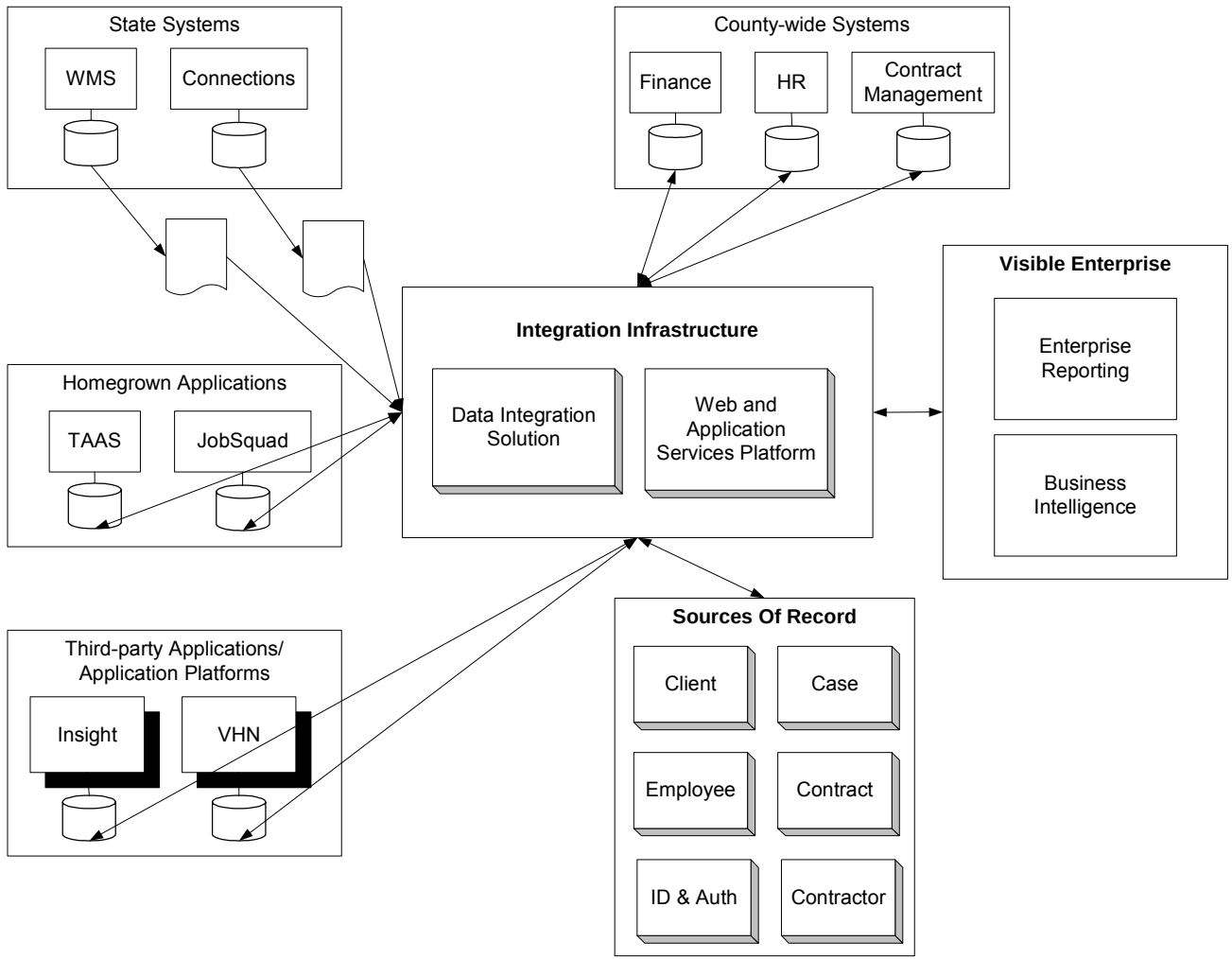


# IT/IS Desired State

## High Level Conceptual Architecture

***- Overview -***

- Rationalized Application and Technology Portfolio
  - Reduce total number of applications and technologies and align with architecture.
- Sources Of Record
  - Establish or identify unique repositories for key data.
- Integration Infrastructure
  - Enable heterogeneous application portfolio to support streamlined workflow and Visible Enterprise.
- Visible Enterprise
  - Provide Enterprise wide Reporting and Business Intelligence capabilities.



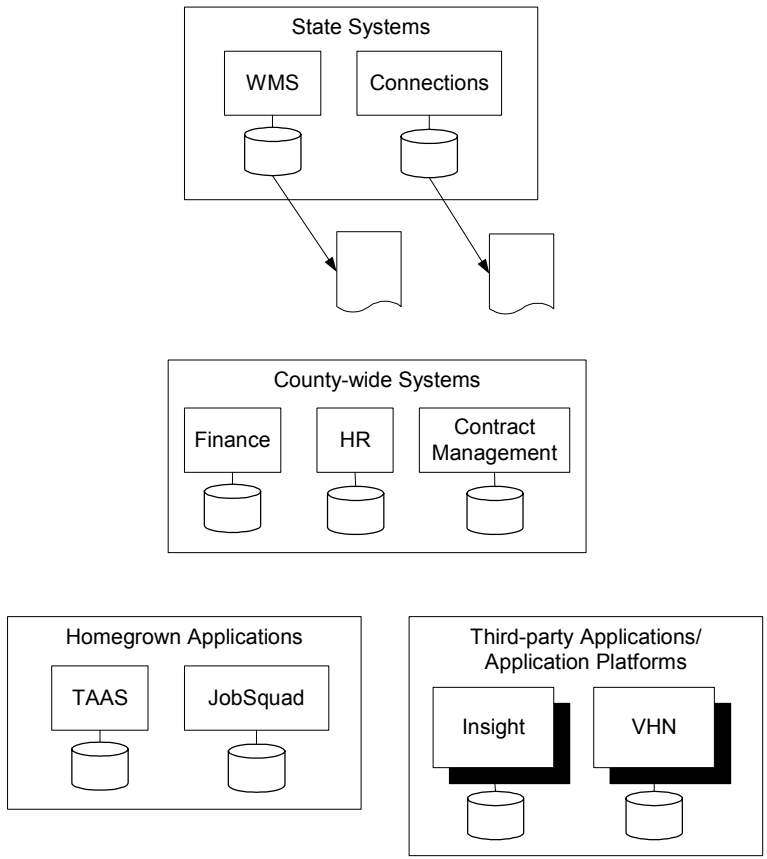
# IT/IS Desired State

## High Level Conceptual Architecture

***- Rationalized Application and Technology Portfolio -***

- **Key Benefits**
  - Reduces Total Cost of Ownership
  - Simplifies integration
  - Eliminate multiple SORs

- **Key Challenges**
  - Natural tendency towards diverse, localized solutions
    - Departmental level requirements drive technology and application choices
  - Inflexibility of State systems
    - Often mandated, seldom open to interfaces
    - WMS export of flat file data to SIDNY On SQL is a notable exception – worth emulating
    - CONNECTIONS may not be as flexible
  - Difficulty in determining County-wide requirements
    - Enterprise Contract Management System must handle a variety of divisional requirements
  - Availability of appropriate Application Platforms
    - VHN and Insight vendors are still developing a Public Health competency
    - Useful Human Services Application Platform may not exist



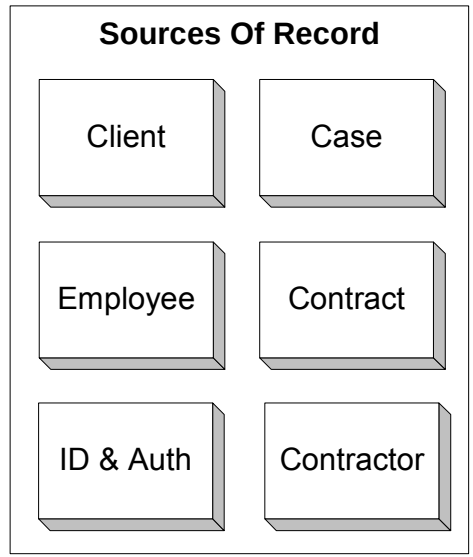
# IT/IS Desired State

## High Level Conceptual Architecture

***- Sources Of Record -***

- **Key Benefits**
  - Reduces duplicate data entry
  - Centralizes and facilitates protection and control of key data (e.g. for HIPAA compliance)

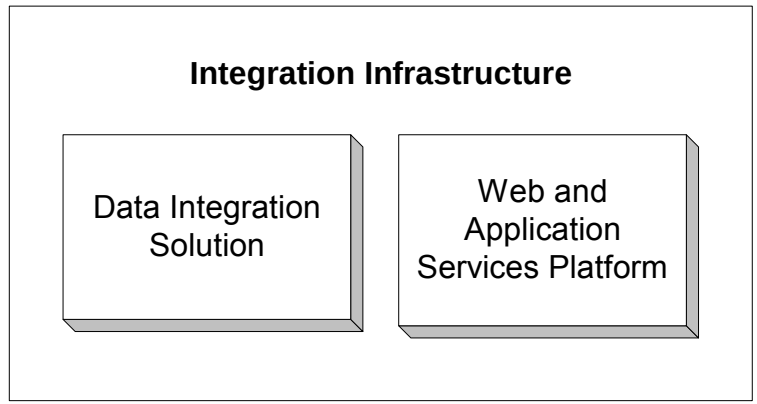
- **Key Challenges**
  - Definition of canonical data schema
    - Client or Case may be viewed differently by different processes
  - Definition and implementation of required interfaces
    - Key applications must feed or be fed by SORs
  - Availability of existing SOR
    - If no existing application can be designated as the SOR, an SOR system may need to be built
  - Resolution of “multi-master” SOR systems



# IT/IS Desired State

## High Level Conceptual Architecture

***- Integration Infrastructure -***




- **Key Benefits**
  - Reduces cost of integration
  - Provides Reliability, Reuse, Availability, Scalability, Security, and Standardization
- **Key Challenges**
  - Selecting the right Integration Infrastructure
    - Cost-effective and appropriate set of middleware technologies is key to long-term success
  - Achieving buy-in
    - Integration Infrastructure is most effective, and cost can be amortized over the widest base, if the Infrastructure is widely used across the Enterprise
  - Implementing Interfaces
    - Interfacing applications is difficult, even with Infrastructure in place

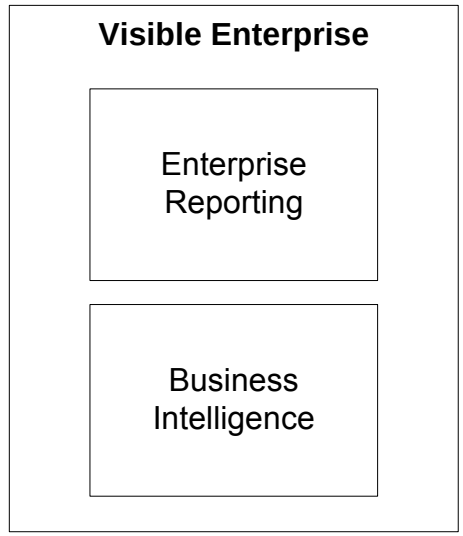
# IT/IS Desired State

## High Level Conceptual Architecture

***- Visible Enterprise -***

- **Key Benefits**
  - Enables outcome based performance analysis
  - Facilitates proactive identification of drivers and inhibitors of efficiency
  - Enables cost-effective aggregation and reporting of State required metrics

- **Key Challenges**
  - Depends on other Architectural Components (Application Portfolio, SORs, Integration Infrastructure)
  - Depends on clear Enterprise Data Model
    - Reports and Intelligence are only as good as their input



# Recommendation

# Recommendation

As they exist, the County's Department of Social Services and Health Department can derive only incremental benefits from the traditional approaches to problem solving within an organization. Indeed, those benefits, while they might very well improve some of the measures of financial performance and customer service in the short term, are likely to be reduced or eliminated soon thereafter as the demands of the community become more complex and fewer employees are asked to accomplish more with fewer resources. When that occurs, the same issues that face DSS and HD today will reveal themselves again as the obstacles to effective and financially prudent customer service.

It is incumbent upon the County leadership to address these issues at their root cause: the organizational structure of these departments and the program-oriented culture that rises from them and blocks dramatic, long-term improvement. We think it essential that the first step should be to:

**Merge the Department of Social Services, the Maternal and Child Health division of the Health Department, the Office of Mental Health, the Office For the Aging and the Youth Bureau into a new "Department of Human and Health Services" based on a process-oriented structure.**

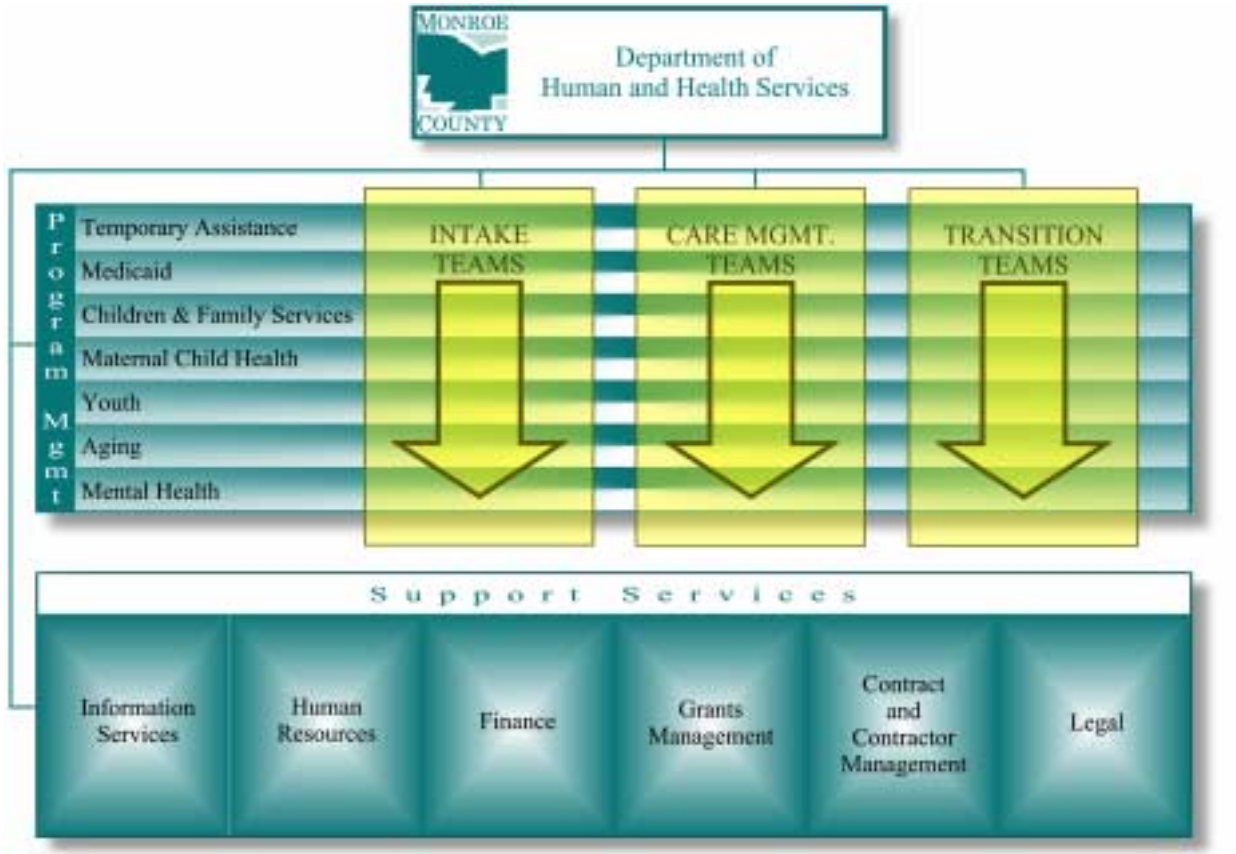
In order to effectively pursue this new outcome-oriented strategy, the new department must:

- **Design and implement a performance management system that incorporates the measuring and tracking of key data**
- **Create detailed intake, care management and transition business processes**
- **Create a best-of-class technology infrastructure**
- **Create a centralized contract/vendor management**
- **Centralize finance and budgeting**
- **Outsource functions which are better performed by the private sector and discontinue support of non-mandated services**

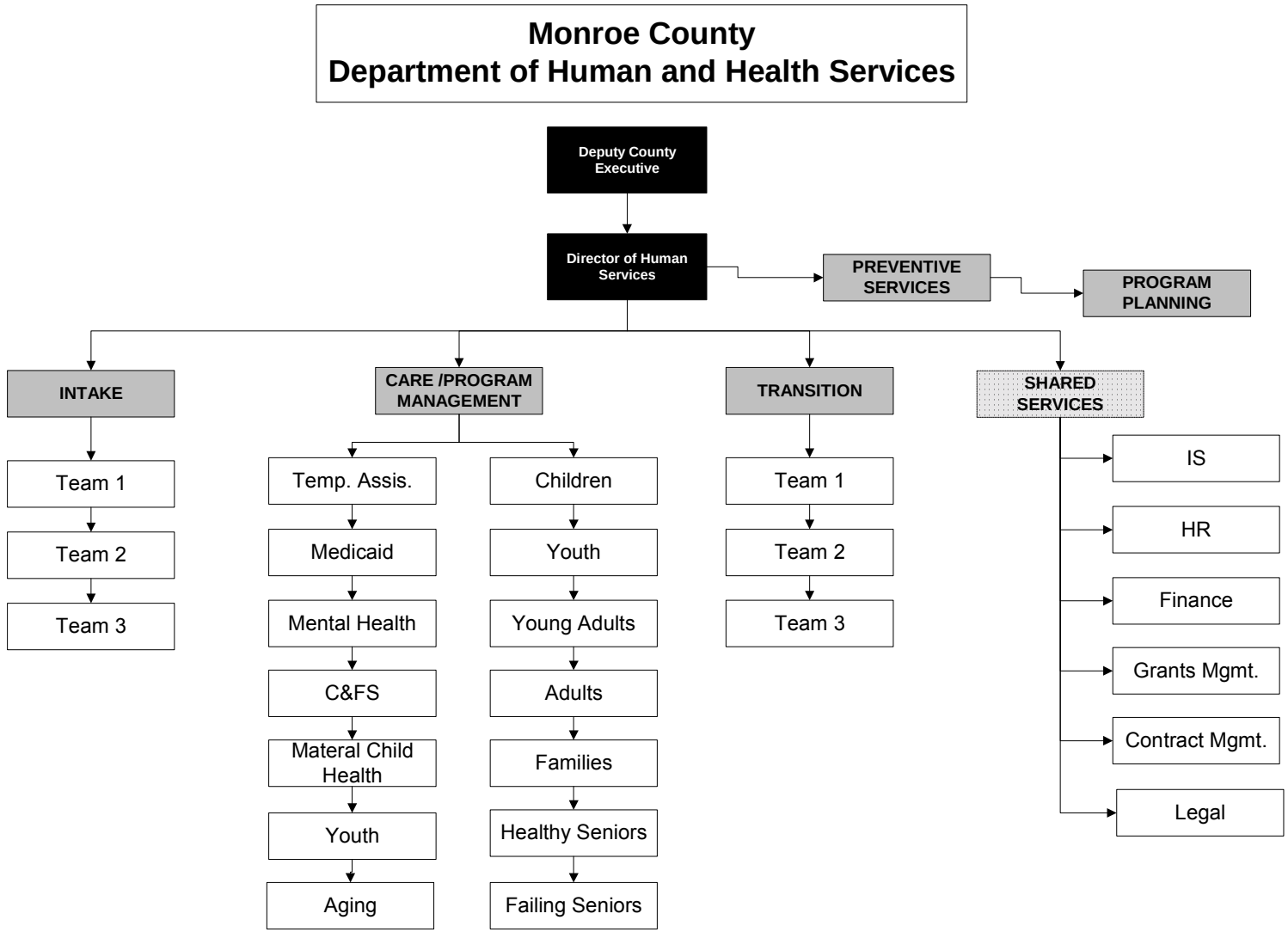
# Organization Recommendation

## New Process Oriented Structure

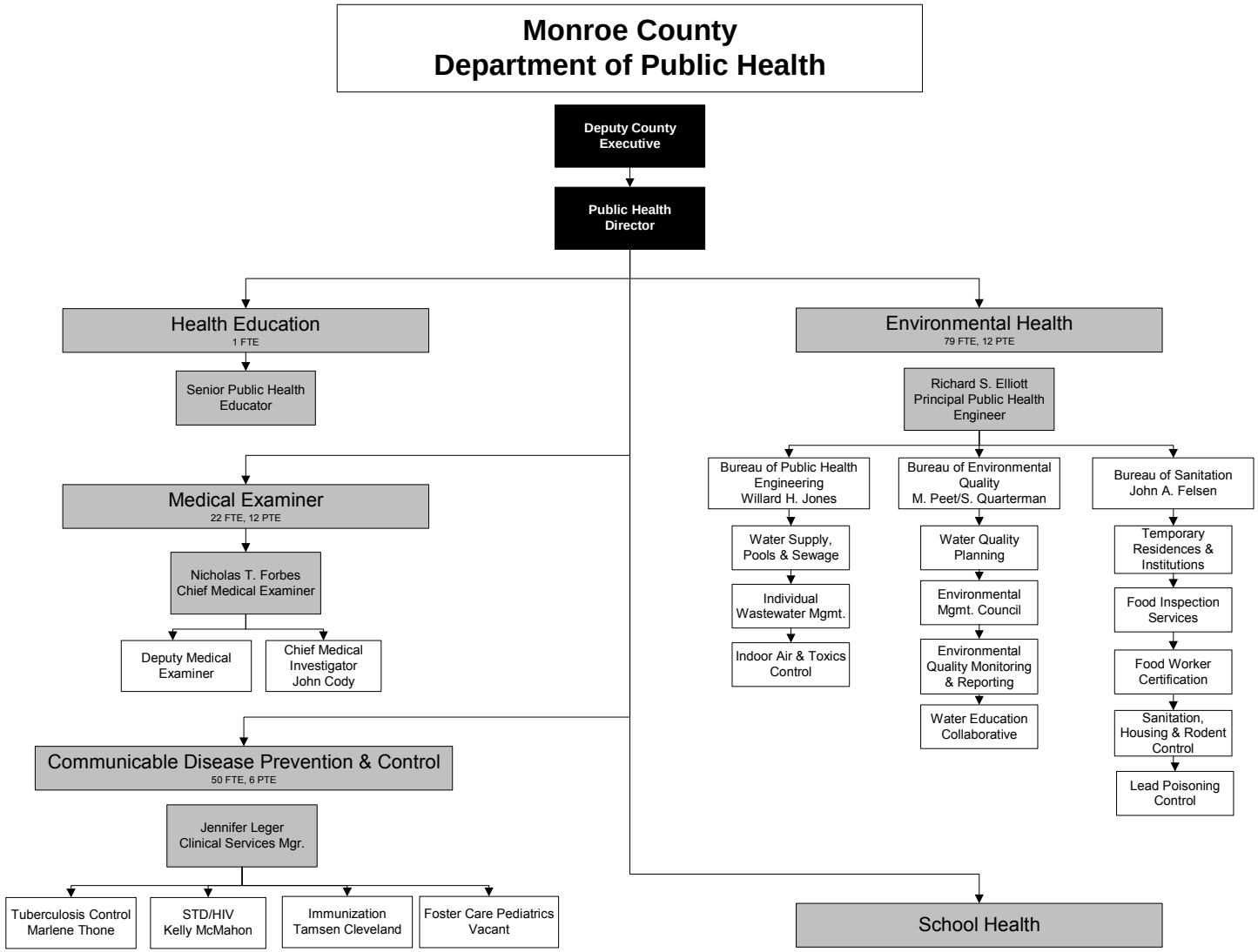
Programs still exist in the new structure, are still where expertise in service delivery lies and are still where funding streams come from. In the process oriented world, however, the programs are no longer central. Client focused Intake, Care Management, and Transition processes are central and enable associated functions to be implemented, and changed over time, across all programs efficiently. The recommendations detailed in this section are guidance on moving towards this desired state.



# Organization Recommendation



# Organization Recommendation



# Business Process Recommendation

## Recommendations

- Realign the organizational structure to focus on the core business processes.
  - Create new “Process Owner” positions for each of the three core processes (Intake, Care Management and Transition). These positions should be senior management positions and will require both knowledge of the operations as well as basic financial and operations management skills.
  - Each process owner should oversee ALL activities related to his/her core process, thus driving out the need for multiple intake processes, etc.
  - Process Owners should be responsible and accountable for driving changes with the emphasis on significantly improving efficiency and effectiveness without sacrificing care quality.
  - Key area of focus should be the interconnection points between the three processes, requiring close collaboration between the three Process Owners.
  - Key emphasis of changes should be standardization and automation.

# Business Process Recommendation

## Recommendations

- Redesign key processes to eliminate duplication of effort and streamline the workflow within and across divisions, departments and teams.
  - Standardize key processes to maximize efficiency and leverage leading practices across the operations.
    - Consolidate intake processes into a single point of contact for all services, and focus efforts on creating a systematic process for reviewing eligibility quickly and effectively such that cases that should not be opened are not opened.
    - Create teams based on client's life stage (child, young adult, adult, family and elderly) and have staff that "own a client" rather than pass the same client from team to team.
    - Reorganize the Transition process with a stronger emphasis on closing cases.
  - Build Quality Assurance into the process to reduce the number of sign-offs and eliminate the need for constant review of documentation by senior level staff and supervisors.
  - Consider outsourcing non-core processes that are repetitive, transaction-oriented and/or administratively intensive. This would include, but not be limited to, areas such as accounts payable, accounts receivable and contract management.
  - Create revised process and procedure documentation that accurately reflects how the process operates. Ensure that a systematic process is in place to ensure that this documentation is updated on a regular basis, as well as any training programs.
  - Establish a process of continuous improvement to regularly update, revise and improve the current processes.

# Business Process Recommendation

## Recommendations

- Aggressively pursue the complete elimination of paper-based documentation and records, as well as other opportunities for automation.
    - First priority should be to reduce the amount of manual processing within the key processes.
        - This includes such activities as client budget calculations, day care payment calculations, etc.
    - Automate the creation, editing and completion of as many forms as possible. In particular, significant efforts should be undertaken to enable the automatic population of common fields across forms, such as client name and address information, phone numbers, birth dates and case and social security numbers. The priority should be placed on the most commonly used forms.
    - Explore the potential for the use of electronic signatures to facilitate document sign-off and electronic storage and access of forms.
    - Develop and implement a system to electronically capture and access client case files The priority is to begin with current and recent client cases based on the frequency of access.
        - This system MUST be user-friendly, and allow for the efficient and reliable storage and accessing of files.
        - Solutions that require the shipment of documentation outside Monroe County should be avoided.

# Business Process Recommendation

## Recommendations

- Aggressively pursue the complete elimination of paper-based documentation and records, as well as other opportunities for automation. (cont.)
  - Significantly reduce the amount of clerical work completed by non-clerical staff.
    - Reorganize data entry, where possible, into pools, rather than have each individual staff member key in their own data.
    - Provide workers with tools that facilitate data entry. For example, employees that are required to conduct frequent client visits out of the office, such as CPS investigators and EI Service Coordinators, should have a laptop or other remote device that would allow them to enter case notes and other key information outside the office.
  - Develop systems that provide electronic “flags” and notifications to notify employees of pending actions required and indicate issues or problems proactively.
    - Error reports to flag issues upfront.
    - E-mail notification of case transfers.
  - Explore the potential for an automated call-in system to allow clients to find out their appointment time/date without paper notifications.
  - Explore the potential of internet-based kiosks to enable clients to apply electronically, or submit information electronically.

# Business Process Recommendation

## Recommendations

- Improve communication and collaboration between groups and divisions through process redesign and technology.
  - Where possible, consolidate care management to reduce or elimination the need to transfer cases to other workers.
    - Moved toward one point of contact per client.
  - Process redesign should place emphasis on the interconnection points between Intake and Care Management, and between Care Management and Transition.
    - Teams that receive transferred cases should develop a set of clearly defined and reasonable requirements of what they need to process cases efficiently and effectively. These requirements should then be translated into procedures and actions by the teams that are transferring the files.
  - Process redesign should also attempt to improve knowledge management within the organization.
    - Identify critical information/knowledge needs, and who has this information.
    - Establish a process to document this information and incorporate into training programs where required.
    - Create a process for documenting and sharing knowledge and ideas across the organization.
      - Look closely at successes and failures. What worked? What didn't? What were the root causes? How can we replicate our success? How can we stop the failures from being repeated?

# Business Process Recommendation

## Recommendations

- Design and implement a Performance Management system that incorporates the tracking and measuring of key data for use to manage the business, as well as focus change efforts in the areas most in need
    - Utilize a balanced combination of Cost, Quality and Time measures.
    - Track both output and process oriented measures. This includes things like error rates, cycle times and processing costs. The Department must strive not just what its caseload is, but also things such as how much a payline authorization error costs, or the average processing time for recertification paperwork, etc.
    - Create a system to track and measure this data, with a flexible and robust reporting capability.
    - Incorporate a systematic review process to identify root causes of problems or disappointing performance, brainstorm potential solutions and implement solutions.

# Business Process Recommendation

## Recommendations

- Work toward significantly improving the integration of systems across the organization. (This area is covered in greater detail in the IT Recommendations section.)
    - Implement terminal emulation for WMS to enable PC-based access.
    - Develop a central registry system to store key client information.
    - Provide simple electronically-based tools such as budget calculation templates, day care payment calculation templates, and on-line checklists.
    - Explore the opportunity for an Intake system that would facilitate the eligibility screening process. Such a system would enable an employee to enter key client information and then automatically determine which, if any programs the client is eligible for and what the next steps are.

# IT/IS Recommendation

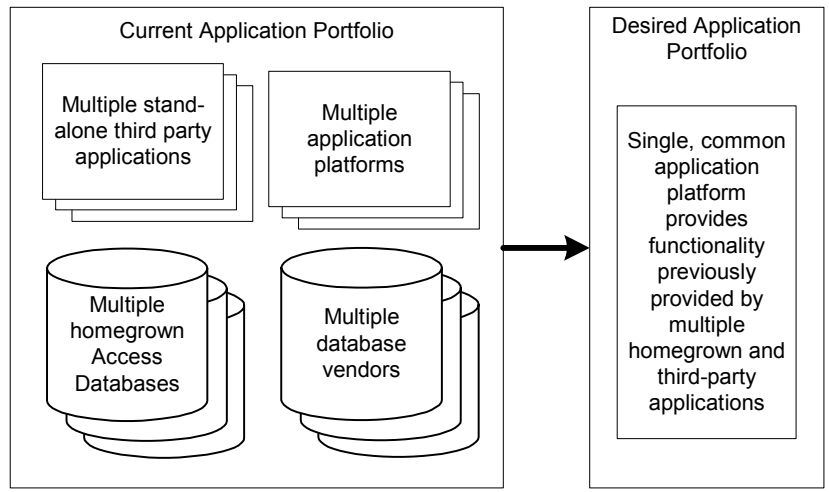
## Recommendations

***- Rationalized Application and Technology Portfolio -***

Efforts currently underway should continue.

New efforts should be undertaken as cost-justified:

- Application Platform Usage
  - HD has adopted Visual Health Net and Insight as application platforms
    - Multiple platforms are supportable, but will cost in terms of integration. Continue to cost justify this choice.
  - HD has retired some stand-alone applications which were duplicative of platform modules. Other opportunities likely:
    - Immunizations
    - EH Admin Time Records
    - HIV Reporting
    - WIC
  - HD plans to leverage a platform interface to an external system by retiring the Ambulatory Module and feeding Healthy Shots directly from VHN.
    Other opportunities are likely:
    - Look at potential VHN feed to EHIPS
    - Look at potential VHN feed to EPI-Info
  - Select and deploy Human Services application platform if available




- Application Retirement and Enterprise Application usage
  - Establish County-wide Contract Management system and retire HD Contract Management systems
  - Look at establishing Enterprise Appointment system or leveraging VHN module across the Enterprise
    - Look at retiring TAAS, HEAP Appointments, WRMS, and other stand-alone appointment systems
- Complexity of Technology Stack
  - Continue retirement of DSS dumb terminal network
  - Continue DSS migration of old Q&A applications and Access applications to IIS/SQL Server as cost-justified
  - Migrate HD Access applications to IIS/SQL Server as cost-justified

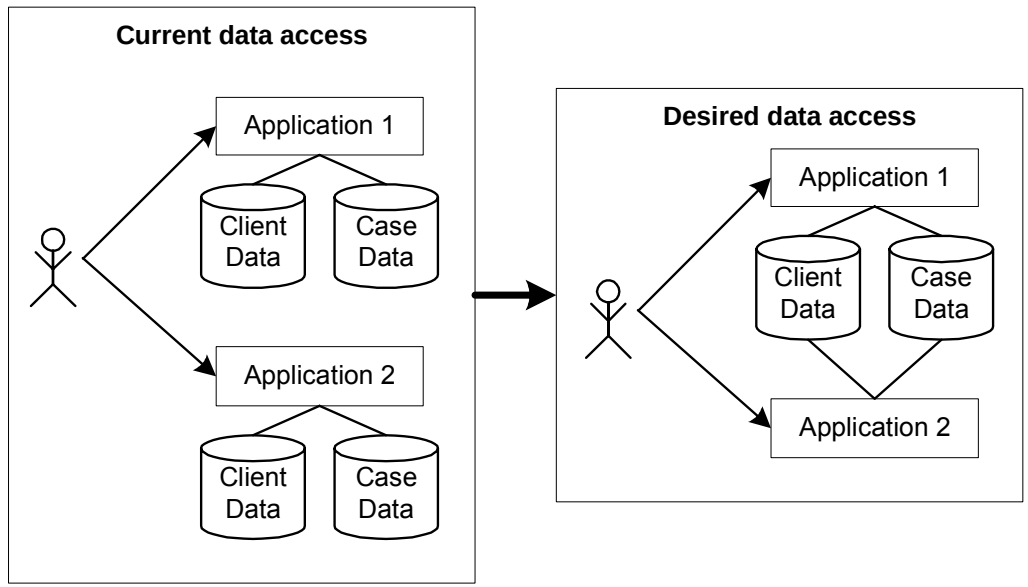
# IT/IS Recommendation

## Recommendations

***- Sources of Record -***

Enterprise Data is currently siloed in disparate applications.
Sources Or Record (SORs) should be established:

- Establish criteria for SOR eligibility
  - Data used by multiple processes
  - Enterprise Data
  - Uniquely identifiable
- Develop strategic SOR plan
  - Client – data relating to recipients of human services
  - Case – data gathered and used during the provision of particular services to particular Clients
  - Employee – data concerning Monroe County personnel
  - Contract – data describing contractual relationships between the County and Vendors
  - Others?
- Identify existing or new applications as SORs
  - Can VHN be the Client SOR?
  - Can the County HR system be the Employee SOR?
  - What will be the Contract SOR?
  - What will be the Case SOR?



# IT/IS Recommendation

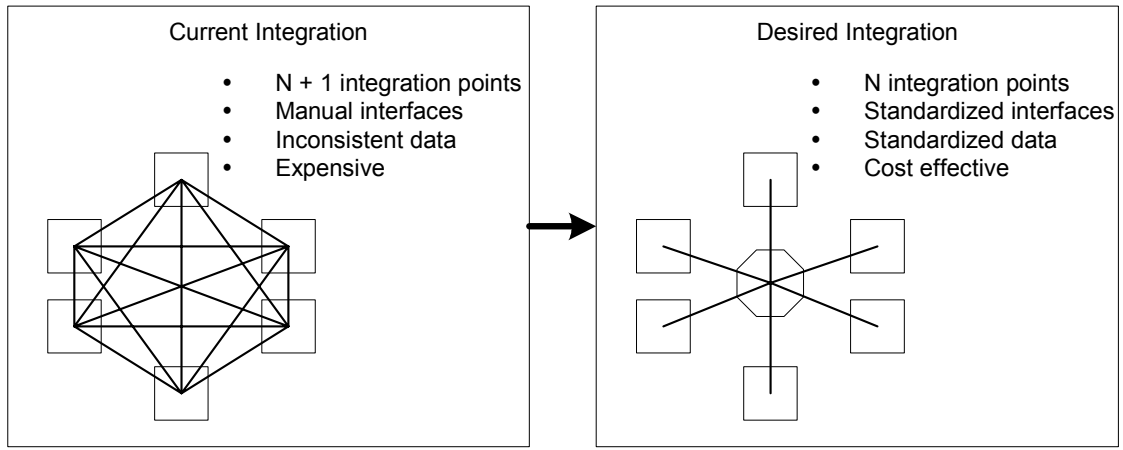
## Recommendations

***- Integration Infrastructure -***

Integration is currently ad hoc and non-strategic.

An Infrastructure should be developed:

- Establish Integration Infrastructure
  - Set of technologies used to tie disparate systems together, either in terms of data or functionality
  - Likely established at the County level
  - Enables heterogeneous application portfolio to support streamlined workflow
- Select Data Integration Solution
  - Determine data latency requirements
  - Select data integration tool
    - Look at Extract Transform and Load
      - Look at Cognos DecisionStream
  - Catalog required interfaces
    - Existing interface between WMS and SOS can be a model
    - Interface to SORs
  - Implement interfaces




- Web and Application Services Platform
  - Establish common, standardized, and open set of technologies as a base for implementing business applications
    - Look at leveraging DSS investment in Microsoft IIS and SQL Server
  - Migrate selected applications to Web and Application Service Platform as part of Application Portfolio Rationalization
  - Establish rules and technology to support development of and integration between applications residing on the Web and Application Services Platform
    - Move towards a County Application Platform

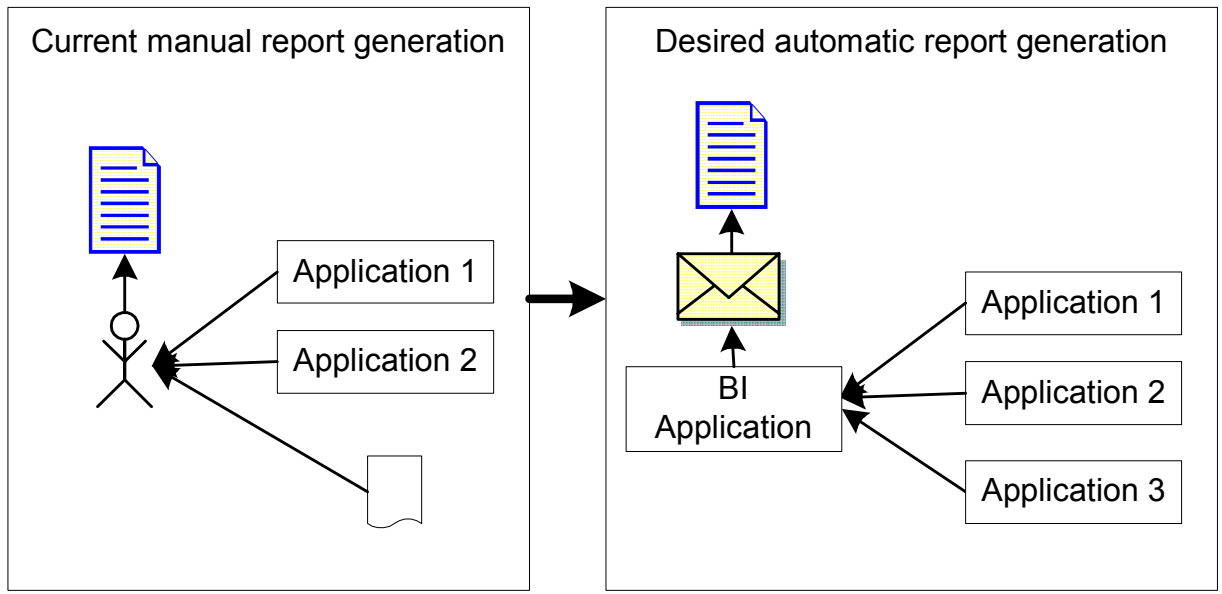
# IT/IS Recommendation

## Recommendations

***- Visible Enterprise -***

There is currently no system level support for Enterprise wide data access:

- Visible Enterprise
  - Currently no applications or technology in place to facilitate Decision Support Systems or other technologies supportive of broad management level query capabilities
  - Required to support easy audits of department level metrics
  - Established by Integration Infrastructure and Sources Of Record
- Enterprise Reporting
  - DSS currently uses Cognos (provided by State license) . Look at leveraging this across the Enterprise.
  - Establish standard reporting tool
  - Identify and implement strategic enterprise reports
- Business Intelligence
  - Currently no Business Intelligence tools in use
  - BI tools support proactive decision making
  - Look at Cognos Business Intelligence Framework



# IT/IS Recommendation

## Recommendations

- DSS State Mandated Systems
    - Watch NYS Human Services Modernization efforts closely
        - Where feasible, proactively implement system coordination in line with State direction
- Daycare
    - Automate vendor payment and attendance tracking via a system like KinderTrack
        - Watch KinderTrack adoption in 2 other NY counties closely and, if successful there, adopt here.
- TANF – Workforce Development
    - Look at systematic coordination between TANF and RochesterWorks

# IT/IS Recommendation

## Recommendations

- DSS and HD would benefit from a centralization of IT support. Many IT functions are currently performed by DSS, HD and County IS. Furthermore, not all of that support should necessarily come from within the County. Examples of this should be outsourcing of IT hardware support (networks, servers, midrange systems, Mainframe, desktops), some applications support, and most software development and support. The consolidated IS organization could then be strategically broken down into business unit-based support teams. Those teams would be mostly business analysts with a modest amount of management.

- The County could also benefit from centrally funding its applications and applications support. This would provide a greater amount of control to higher levels of management and would provide new opportunity for being more strategic with technology and application investment.

- Linked to funding strategy is the need to be more architecturally driven. We have seen evidence (IMPB and ARB) of a framework and effort made to be more strategic in deciding which IT projects happen, but we see great opportunity to be more strategic in terms of how those projects/applications are realized. This would require a technology architecture framework, practice, and enforcement. Results of this would be higher levels of consolidation, integration, automation, and less redundancy. Inevitably, operational costs could be driven down and infrastructure could be more effectively leveraged.

# Contracts/Contractor Recommendation

## Recommendations

- DSS and the HD should reengineer and then consolidate and centralize the contract creation and management functions for both departments.
- Develop a comprehensive contract management process that details all the steps from contract creation/renewal through contract management, all the way to contract termination. The detailed process should include a method for:
  - Determining if and when a contract should go out to bid creation, renewal and management.
  - Evaluating the cost and benefit of each contractor, as well as a method of evaluating if the services should be provided internally.
  - Detailing what specific services will be provided, what level of service will be provided, who the services will be provided to and how many people will be served.
  - Defining and incorporating performance measures and mechanisms for evaluation into the contract.
- Develop specifications for a comprehensive contract management system. The specifications for the system should be based on the reengineered contract management process.

# Contracts/Contractor Recommendation

## Recommendations

- Identify, analyze and purchase an existing “off the shelf” or a custom contract management system. The contract management system should be able to:
  - Electronically link into the county contract payment system. This will enable the contract management office to proactively manage contract in real time. Specifically the department will be able to:
    - Compare projected vs. actual expenditures and potential problems
    - Avoid making payments on exceeded or expired contracts
  - Track key contract issues and automatically alert the contract management staff of pending issues that need to be addressed
- The Department should aggressively pursue the use of competitive bidding and detailed RFPs to drive unnecessary cost out of the system
- Develop a process or mechanism to audit contractors from a financial and service standpoint to assure that the fees charged for services are fair and equitable
- Develop a mechanism to evaluate and rationalize rates across service providers
- Both departments should work aggressively to renegotiate, restructure, terminate or reduce utilization of existing contract relationships

# Finance Recommendation

## DSS Recommendations

- Create an organization whose culture is focused on cost management by:
  - Using the key financial and production metrics developed in this study, and deriving new metrics as appropriate, as management tools
  - Developing quantitative employee performance measurement systems
  - Instituting a rigorous program of managing personnel to achieve desired metrics
- "What gets measured, gets done." Key financial metrics used to analyze costs and operating efficiencies must be identified and reported throughout the Department.
- These metrics would be used by management to analyze costs, monitor "production" and gauge operating efficiencies. Specific uses would be to:
  - Compare to the approved annual budget in order maintain fiscal responsibility
  - Compare over time to gauge changes in departmental operating performance
  - Compare against other comparable service providers to gauge the department's relative efficiency
  - Compare to other external benchmarks and best practices
  - Use as a measuring tool to identify opportunities for efficiency enhancements and cost reductions
  - Use as a benchmark for establishing operating goals in future years
  - Identify any redundancies between departments
- Key financial metrics would be used to track the two major cost components: cost of benefits to clients and the cost of administering cases.
- The cost of benefits to clients should be tracked and reported both on an individual case basis and in the aggregate, and compared to the budget.
- The cost of all benefits received by an individual (case) would be included and reported.
- Additionally, the aggregate cost of all benefits paid to all cases would include the costs of all classes of benefits.
- All data should report costs for the current month period and cumulative year-to-date data.

# Finance Recommendation

## DSS Recommendations

- Reporting data should be disseminated monthly and in a timely manner. Reporting data which is several months old will have significantly reduced value.
- The cost of administering cases should be tracked both on an individual basis and in the aggregate, and compared to the budget.
- The cost of administering cases would involve tracking:
  - Hours worked per case
  - Caseloads by function
  - Caseloads per employee
  - The cost of supervisory staff to caseworkers
  - The cost of managers to supervisors
  - Overhead costs to man-hours worked
  - Cost of administration to benefits provided
  - Hours worked to benefits provided
  - Hours worked to the cost of administering cases
- Giving everyone objectives to achieve and a “scorecard” with which to measure attainment of their objectives will drive behavior toward achieving the objective and away from non-value-added activities.

# Finance Recommendation

## DSS Recommendations

- The cost of administering cases should also be tracked and reported both on an individual case basis and in the aggregate, and should be reported each month showing actual costs for the current month period, budgeted costs, and the variance to budget, and actual costs year-to-date, budgeted costs, and the variance to budget.
- Aggregate data for the cost of benefits to clients would be reported throughout the department. Aggregate data for the cost of administering cases would also be reported throughout the department. A departmental meeting should be held monthly to review the aggregate results, assess the department's performance, and develop action plans in order to achieve the department's objectives.
- Individual data for the cost of benefits to clients would be reported only to the caseworkers and his/her superiors assigned to that case. Individual data for the cost of administering the cases would also be reported only to the caseworkers and his/her superiors assigned to that case. A meeting with the caseworker and his/her superiors should be held monthly to review the individual results, assess the caseworker's performance, and develop action plans in order to achieve the caseworker's objectives.

# Finance Recommendation

## DSS Recommendations

- Our analysis of the incidence of Family Assistance cases and Safety Net cases involved data from 8 comparable counties in New York State and calculated the relationship between the counties' populations, unemployment rates and number of staff personnel.

  The analysis indicates that Monroe County has an inordinate number of both Family Assistance and Safety Net cases compared to these other counties.

  It is therefore recommended that reducing the number of Family Assistance cases and Safety Net cases, while upholding the integrity of the eligibility requirements, become the primary objective of the department. Caseload reductions are to be accomplished by the department's Transition group being dedicated to actively assisting clients in achieving self-sufficiency.

  The regression analyses suggest a "desired state" in which there are 45% fewer Family Assistance cases. If this desired state was achieved it would result in estimated savings to the County of Monroe of $5.3 million annually.

  The regression analyses suggest a desired state in which there are 52% fewer Safety Net cases. If achieved, it would result in estimated savings to the County of Monroe of $9.6 million annually.

  Combined, achievement of this desired state would save the County of Monroe $13.9 million annually.

# Finance Recommendation

## DSS Recommendations

- The budgeting function and information reporting functions must be reengineered and be made more meaningful and valuable to its constituent users.

  As discussed previously, the information reporting functions must be reengineered. Once key financial and production metrics are established, they must be computed and reported on a periodic (monthly) and timely basis. Failure to report this information will undermine the entire effort to improve operating performance and efficiency and reduce costs.

  Lastly, it is recommend that methods to measure customer satisfaction and employee satisfaction be implemented. The feedback will enable the department to improve customer service and improve employee satisfaction with the underlying objective of further reducing costs.

# Finance Recommendation

## HD Recommendations

- Providing health-care is a daunting task: there are almost unlimited demands which must be addressed with limited resources. This situation is complicated by the fact that virtually all health care demands have merit and are worthy of attention.
- The County of Monroe has limited resources and the Health Department must adapt and function within that constraint. It is recommended that an organization be created whose culture is focused on cost management by:
- Using the key financial and production metrics developed in this study, and deriving new metrics as appropriate, as management tools
  - Developing quantitative employee performance measurement systems, and
  - Instituting a rigorous program of managing personnel to achieve desired metrics.
- In order to create a culture focused on cost management, it is recommended that all Health Department programs, both current and proposed, undergo a formal screening and analysis procedure.

  Step 1: Classify Program into 1 of 4 categories:

  Critical: Mandated by NYSDOH.
  MCHD is sole provider. High priority

  Core: Not mandated by NYSDOH. "Essential to the Mission".
  MCHD may or may not be sole provider. Medium Priority.

  Expanded: Not mandated by NYSDOH. "Not Essential to the Mission".
  MCHD not sole provider. Low Priority.

  Not Related: Not mandated by NYSDOH. Not Related to the Mission.
  MCHD not sole provider. Indeterminate Priority.

# Finance Recommendation

## HD Recommendations

Step 2: Identify Reimbursement Levels for all Programs

Step 3: Establish quantitative objectives for all Critical Programs. (“Reduce the incidence of Disease X in Monroe County from 17 per 1,000 to 11 per 1,000.”)

Step 4: Determine costs (total and Monroe County share) for achieving objectives.

Step 5: Compute an expected “Return On Investment” for each program.

Step 6: Rank-order all Critical Programs from highest R.O.I. to lowest R.O.I. Compute total expected costs.

Step 7: Repeat Steps 3 through 6 for Core Programs

Step 8: Repeat Steps 3 through 6 for Expanded Programs

Step 9: Repeat Steps 3 through 6 for Not Related Programs.

Step 10: Fund all Critical Programs, adjust objectives to meet financial constraints.

Step 11: Fund Core, Expanded and Not Related Programs as financial constraints allow.

# Finance Recommendation

## HD Recommendations

- What gets measured, gets done." Key financial metrics used to analyze costs and operating efficiencies must be identified and reported throughout the Department.

  These metrics would be used by management to analyze costs, monitor "production" and gauge operating efficiencies. Specific uses would be to:
  - Compare to the approved annual budget in order maintain fiscal responsibility
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  - Compare to other external benchmarks and best practices
  - Use as a measuring tool to identify opportunities for efficiency enhancements and cost reductions
  - Use as a benchmark for establishing operating goals in future years
  - Identify any redundancies between departments

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- The cost of all benefits received by an individual (case) would be included and reported.
- Additionally, the aggregate cost of all benefits paid to all cases would include the costs of all classes of benefits
- All data should report actual costs for the current month period and cumulative year-to-date data, budgeted costs for the current month and year-to-date, and variances from the budget.
- Reporting should be disseminated monthly and in a timely manner. Reporting data which is several months old will have significantly reduced value.
- The cost of administering cases should be tracked both on an individual basis and in the aggregate
- Giving everyone objectives to achieve and a "scorecard" with which to measure attainment of their objectives will drive behavior toward achieving the objective and away from non-value-added activities.

# Finance Recommendation

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  As discussed previously, the information reporting functions must be reengineered. Once key financial and production metrics are established, they must be computed and reported on a periodic (monthly) and timely basis. Failure to report this information will undermine the entire effort to improve operating performance and efficiency and reduce costs.

# Finance Recommendation

## HD Recommendations

- It is recommended that all fees charged by the Health Department be reviewed, compared to fees charged by other comparable county health departments and increased accordingly. For example:
  - Monroe County charges $32 for a Temporary Food Service Establishment vs. Erie County's fee of $53.
  - Monroe County's fees for Motels and Hotels are significantly lower than those of Albany County. Monroe County charges $284 for 51-100 units vs. Albany County's fee of $350. Likewise, Monroe County charges $383 for 101 plus units, and Albany's fees are $400 for 100-199 units and $450 for 200 plus units.
- Fees charged by the Monroe County Health Department have remained relatively flat over the years, are significantly lower than other comparable NYS counties and increasing these fees should not be met with significant opposition
- Lastly, it is recommend that methods to measure customer satisfaction and employee satisfaction be implemented. The feedback will enable the department to improve customer service and improve employee satisfaction, with the underlying objective of further reducing costs.